Annual Report 2018-19

25

YEARS

Redington

SEAMLESS PARTNERSHIPS

What's inside

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INVESTOR INFORMATION

Market Capitalisation as at 31st March, 2019	₹ 3,990 crores
CIN	L52599TN1961PLC028758
BSE Code	532805
NSE Symbol	REDINGTON
Dividend	₹ 3.30 PER EQUITY SHARE (165% OF THE FACE VALUE)
AGM Date	30th JULY 2019
AGM Venue	NARADA GANA SABHA, MINI HALL, NO.314, T.T.K ROAD, ALWARPET, CHENNAI - 600 018

Disclaimer

Business begins with value creation

It is the foundation that helps build a strong framework for customer satisfaction, which in turn results in sustained growth.

We, at Redington, have recognized the importance to continuously **Ideate** in order to **Evolve & Transform** ourselves.

Towards our efforts to be a future-ready company, we have now embarked on a journey to become a fully **Digitalize** organization.

Our journey over the years chronicles different stages of business evolution that have helped us transform ourselves from time-to-time and meet the changing needs of the industry and our customers.

A peek into 2018-19 key numbers...

₹ **46,599.4** crores
TOTAL REVENUE
+12%

₹ **961.9** crores
EBITDA
+12%

₹ **507.8** crores
PAT
+5%

₹ **12.8**
EPS
+6.7%

Note: EBITDA: Earnings before Interest, Tax, Depreciation and Amortisation
PAT: Profit After Taxes | EPS: Earnings Per Share

TODAY,
AS WE COMPLETE

25

Y E A R S

WE CONTINUE TO EXPLORE AVENUES WHICH WOULD HELP US UNLOCK INCREMENTAL VALUE FOR ALL OUR STAKE-HOLDERS.

Ideate

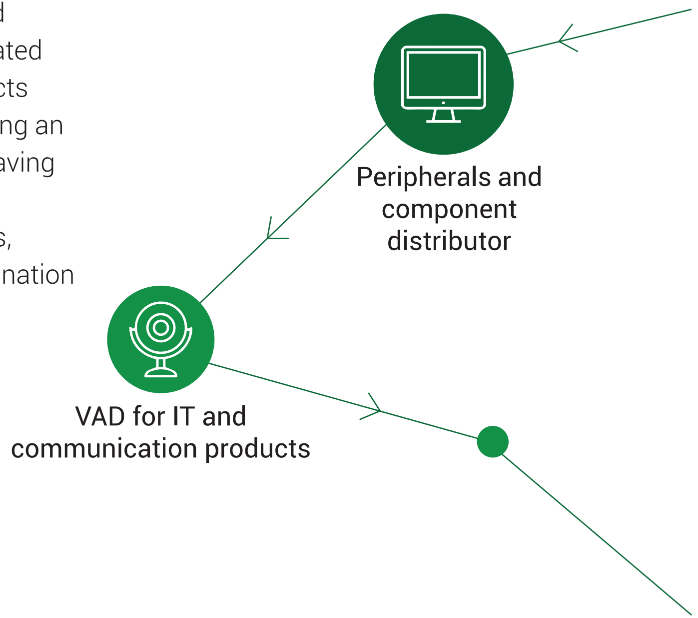
CONTINUOUS IDEATION ENABLES US EXPLORE NEW OPPORTUNITIES

Business ideation is integral to identifying opportunities that are crucial for growth and expansion. Deep market insights has enabled us identify trends ahead of the curve and allows us access future business potential

At Redington, ideation is an integral part of our DNA. This has helped us stay abreast of fast evolving technology developments which have the potential to impact our business model.

It has allowed us to frequently break new grounds in the technology distribution landscape, anticipating the convergence of technology and communication streams.

Our journey from a pure play peripherals and components distributor to a Value Added Distributor (VAD) for integrated IT & communication products and solutions, and from being an India centric company to having a strong presence in many emerging overseas markets, stands proof of our determination to continuously expand our horizons.



#1 TECHNOLOGY DISTRIBUTOR IN MEA

#2 TECHNOLOGY DISTRIBUTOR IN INDIA

220+ BRANDS

39,800+ PARTNERS

Evolve

TO EVOLVE IS TO TAKE ACTION TODAY TO IMPROVE ALL OF TOMORROWS

Evolution of business, as in nature, ordains shedding of the old and embracing the new

At Redington, we have periodically reimagined and reinvented ourselves in order to evolve as a "current" organization at all times.

Our continuous evolution as a Technology Distribution Organization has resulted in a pioneering role in setting benchmarks for Products, Solutions and Value offerings to the distribution eco-system.

As an agile, elastic and ever-evolving organization, we are ready and prepared for tomorrow's opportunities and challenges.

	BRANDS	CHANNEL PARTNERS	EMPLOYEES	MARKETS	SALES OFFICES	WAREHOUSES	OWNED SERVICE CENTER
Home-grown company in 1993	1	25	5	1	3	1	1
Global distributor in 2018	220+	39,800+	4,830+	37	80	220+	60+

HERE IS A SNAPSHOT OF OUR EVOLUTION JOURNEY SO FAR

1993–1999

Pioneering IT Distribution eco-system in India

Pioneered the Indian IT Distribution Industry by building infrastructure and by introducing a structured channel Credit System, helping make PCs, peripherals and PC accessories available across the country.

2000–2014

First Value Added Distributor (VAD) in India for Enterprise IT Vendors and Establishing our presence to Emerging markets in EMEA

We anticipated the surge in investments in Enterprise IT infrastructure by private Enterprises, State and Central Government departments and PSUs and invested ahead of time to build skills, resources and infrastructure required for Value Added Distribution. Since then, in India, we have remained the VAD of choice for all Enterprise vendors.

During this period, Redington identified the opportunity presented by the growing IT needs in EMEA and started building our distribution infrastructure in that market. By the middle of the decade, we had cemented our position as the region's largest IT distributor.

2015–ONGOING

Enhancing Value proposition for vendors and partners through engagement in fast evolving technology practices

As Cloud, Artificial Intelligence (AI), Machine Learning (ML), Internet of Things (IoT), Digital & Analytics solutions gain mainstream status in delivering Business Outcomes, we have started building skills, capabilities and infrastructure to access the growing business opportunities on offer.

This evolution of our business mix is essential for building the Redington of tomorrow.

Transform

TO TRANSFORM MEANS TO REDEFINE AND RECAST ONESELF TO MEET THE FUTURE REQUIREMENTS

The longevity of a business organization lies in its ability to transform with the times. It is essential to avoid status-quo, to continuously look beyond the obvious and to embrace changes that are essential to maintain one's relevance in the eco-system

At Redington, our metamorphosis since our inception in 1993 to the multi-market organization that we are today, is proof of our determination to periodically reinvent and transform ourselves.

We are transforming our Organization Structure and our Business Mix to address the imperatives of the cutting edge technology practices that are rapidly altering the way customers look at their IT infrastructure needs.

Redington of tomorrow will be an organization that leads with Solutions and Services, encompassing Cloud, AI, ML, IoT & Analytics.

We will remain a partner centric organization. We will however re-orient our focus in order to offer solutions and services that will help our partners solve their customers' business Problems and deliver value through business outcomes.

Digitalize

BUILDING SCALE AND THE NEXT LEVEL OF OPERATIONAL EXCELLENCE THROUGH DIGITAL TRANSFORMATION

The world has gone digital. Consumers have embraced all-encompassing digital experiences with alacrity. Businesses are transforming themselves to keep pace with the digital revolution

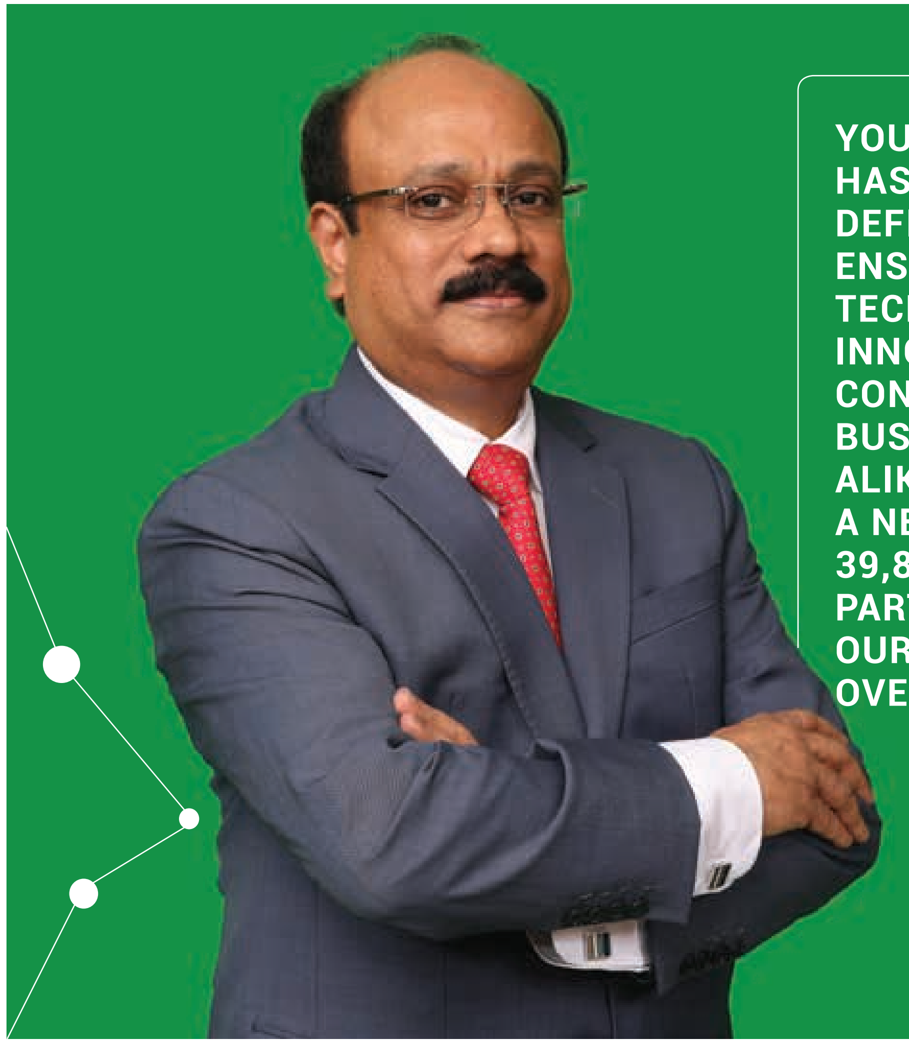
We too are in the process of converting ourselves into a fully Digital Organization. By end of year 2021 we expect 100% of all our operations to be digitalized and automated, buttressed by Analytics tools for business decision making. This will allow us significant benefits through improved operational efficiencies and greater economies of scale.

Two decades ago, Redington became the first Indian distributor to adopt a customized, enterprise-wide Software for operations. This helped us expand our business rapidly. We credit our industry leading operational excellence to this farsighted step taken back then.

Currently, we are in the process of transitioning our operations on to a cutting-edge ERP platform from SAP. This is a significant step in our journey of transformation to a fully digitalized organization, with streamlined and highly automated process flows with minimum human intervention.

An integrated and fully automated Digital Business Platform, offering a seamless, intervention-free and customized business experience for all partners, will form the backbone of our operations in near future.

Message from the Managing Director



YOUR COMPANY HAS PLAYED A DEFINING ROLE IN ENSURING THAT TECHNOLOGY DRIVEN INNOVATIONS REACH CONSUMERS AND BUSINESS HOUSES ALIKE, BY BUILDING A NETWORK OF OVER 39,800 CHANNEL PARTNERS ACROSS OUR INDIA AND OVERSEAS MARKETS

Dear Shareholders,

Redington completed 25 years of operations in 2018-19. This milestone is a validation of our uncompromising focus on delivering consistent growth and value creation. As I look back, I am filled with a sense of wonder at what your Company has achieved over a quarter of a century.

Your Company, Redington India, is one of its kind. It would be difficult to identify a parallel in the Indian corporate scenario. It is amongst the true success stories as a purely home-grown, multinational organization.

Its journey in India started in tandem with the country's embrace of Information Technology as a catalyst to haul itself into the mainstream of the late 20th century world order and jolt itself out of the cycle of sub-par economic growth. It would not be the slightest bit of exaggeration to say that the strong and confident India that we see today owes much of its transformation to the pioneers of its IT Industry. Redington can proudly count itself in that exclusive list.

The learnings from its India business allowed Redington to build its strategy for the Emerging Markets in Middle East, Africa & Turkey and establish itself as the pre-eminent technology distribution Company across the region.

Your Company has played a defining role in ensuring that technology driven innovations reach Consumers and Business Houses alike, by building a network of over 39,800 channel partners across our India and Overseas markets. Our distribution model has periodically evolved to allow us effectively address the differing dynamics of the huge range of products that we carry, covering IT & Mobility segments.

Redington today distributes products from over 220 of the world's leading technology brands, involving more than 17 product categories, covering over 45,000 SKUs and requiring different go-to-market solutions in more than 35 markets. Our ability to manage the different ways in which business is conducted across multiple geographies, with diverse channel ecosystems comprising of e-commerce companies, organized & unorganized retail chains, resellers, system integrators and new-age born-in-cloud partners, has emerged as our fundamental strength.

As I review the year just gone by, I take great satisfaction in reporting to you that at a consolidated level, your Company has delivered a Revenue Growth of 12%, an EBITDA Growth of 12% and a PAT Growth of 5%, while simultaneously generating Free Cash Flow of ₹ 732 crores. But for the one-off impairment charge that we had to incur on our investment in Turkish subsidiary Arena, our PAT growth would have been significantly higher at 15%. Your company has clearly demonstrated strength of character in overcoming the challenges it encountered during the period.

Just as a champion decathlete combines strength, stamina and agility for different events, your Company has combined its strengths in vendor and partner relationships with perseverance in challenging conditions and nimbleness in adapting to fast-changing technology practices, to maintain an unblemished record of business growth.

In India, overall demand for IT & Communications (ICT) products has reached USD 83.6 Billion as per Gartner. Government & PSUs remained the largest investors in technology products & solutions, as investments in infrastructure and social services continued. However, lingering impacts of demonetization and shift to GST regime, coupled with a serious liquidity crunch, dampened demand in the private sector. Recognizing the need to be vigilant on capital deployment, your Company focused on improving capital efficiency and this is reflected in the sharp decline of Working Capital (WC) from 55 days to 47 days. A systematic approach to cost reduction and improvement in collection greatly aided towards achieving our capital efficiency goals. This, in turn, helped keep interest cost under control in India - even when the effective interest rates have trended sharply upwards - resulting in Free Cash Flow of ₹ 103 crores. While this extra prudence resulted in selective business acquisition, the Indian operations still registered a Revenue growth of 13%. India contributed 37% of the consolidated revenue and 32% of the total profits.

The credit rating agencies have recognized our fiscal prudence by once again reaffirming Redington's rating at the highest level for short term borrowings.

The technology landscape is changing rapidly and your Company has invested in skills and infrastructure required to keep itself ahead of the curve and retain its relevance as a premier distribution partner. Adoption of Cloud gathered further momentum and Redington enhanced its position as the "Distributor-with-a-difference" in this space. Our Cloud business in India registered double digit growth quarter after quarter, with a steadily increasing Services component. Your Company is the only distributor in India with a well-defined Cloud Managed Services Practice and FY 18-19 witnessed breakthrough wins in prestigious customer accounts.

With a stable political regime and the promise of further economic reforms and accelerated investments towards Digital India and Smart City projects, we expect revival of technology refresh & upgrades in the Corporate sector also. While retaining its focus on business hygiene, your Company is well positioned to participate in all growth opportunities in the year to come. The business landscape in India during FY 19-20 through to FY 21-22 appears promising, with growth anticipated across IT, Mobility and Services portfolios.

The Overseas subsidiaries continued to excel. As ever, the overseas markets are fraught with geo-political uncertainties, severe currency fluctuations and a high degree of sensitivity to Oil prices. Your Company has developed an innate ability to successfully navigate these challenges and this is once again evident in the business performance for the year gone by. The Overseas operation has delivered strong performances in every line of business, cutting across all geographies, including Turkey, where the challenges due to severe currency devaluation were especially daunting. The Overseas business has delivered strong double digit growth in both IT and Mobility portfolios. Mobility has contributed handsomely to the overall growth, as your Company won contracts for key brands in a few major markets.

A Revenue growth of 11% and PAT growth of 19% in our Overseas operation has been underpinned by a clear focus on Working Capital deployment which was reduced from 37 days to 31 days, generating a Free Cash Flow of ₹ 629 crores. The Overseas operations contributed 63% of the Consolidated Revenue and 68% of the Consolidated PAT.

As we look at the industry landscape, we realize that the Technology Distribution business is undergoing a tectonic shift. The eco-system, in its formative years was served well by what can be called **Distribution 1.0**. Here, the ability to extend Credit & the robustness of Supply Chain infrastructure determined the success of a distributor. Redington's approach during this phase was Partner Centric and Product driven. It paid rich dividends, transforming the Organization into one of the leading Distributors in India.

As investments in IT Infrastructure increased, other dimensions were added to the role of a Distributor. Emergence of the Value Added Distributor (VAD) concept required an ability to consolidate multiple products and solutions, involving complex commercial structuring, combined with Market development and Channel enablement responsibilities. VAD was the genesis of Distribution 2.0.

Your Company was the pioneer and the leader during both stages of above evolutions of Technology Distribution business.

The way businesses buy and deploy technology is undergoing rapid changes. Rather than considering it as a mere infrastructure necessity, Customers are increasingly looking at Technology as an enabler for delivering Business Outcomes. Emerging technologies like Artificial Intelligence (AI), Machine Learning (ML), Internet of Things (IoT) and Analytics are fast becoming integral parts of IT Solutions. The Distributor of the future is an Organization which quickly builds infrastructure & skills that leverage these technologies to offer appropriate solutions and services. Recognizing this, your Company has started its pivot to **Distribution 3.0**, in order to evolve into an Organization that is strongly Partner engaged but Customer centric. Retaining our core competencies and strengths in distribution business, we will also become highly focused towards offering Solutions and Services to SMB, Mid-market and Enterprise customers.

This transformation requires significant changes in the way your Company runs its operations and conducts its business and critical investments that we are committed to putting in place. Redington is transitioning into a fully Digital organization. In India, with a new generation ERP Software as its IT infrastructure back-bone, your company plans to build a **"Technology Experience Centre"** which will enable its partners showcase various solutions and services to their customers. We are building a **"Master Digital Platform"** which will converge Consumer IT, Mobility, Enterprise and Cloud verticals while offering partners unparalleled ease of doing business and great customer experience. A collaborative approach will combine our contractual distribution capabilities with that of an "eco-system integrator", offering partners a "one-stop-shop" for a comprehensive suite of products, solutions & services.

WE ARE BUILDING A "MASTER DIGITAL PLATFORM" WHICH WILL CONVERGE CONSUMER IT, MOBILITY, ENTERPRISE AND CLOUD VERTICALS WHILE OFFERING PARTNERS UNPARALLELED EASE OF DOING BUSINESS AND GREAT CUSTOMER EXPERIENCE

FY 18-19 was the first full year of operation of your Company as a Promoter-less, Board led and Professionally managed organization. Your Board has tremendous diversity of age, gender, culture, qualification, and skills. With rich experience in the areas of Corporate Strategy, IT Brand development, Distribution business, Financial services and Corporate Audit functions, members bring wide-ranging expertise to advice and guide to the Management team. The Board has been further strengthened with the induction of Ms Anita P Belani during April 2019. Ms Belani is an outstanding business leader with expertise in the area of Human Capital Development. With her experience in leadership roles at several leading organizations, she brings tremendous value at a time when your Company is making the transition to a more skill-oriented business model.

The Company is committed to delivering the best possible value to your investment. In line with this intent and in commemoration of the 25th year of the Company's existence in India, the Board has declared a final dividend for FY 18-19, amounting to 25% of the consolidated profits for the period. At ₹ 3.30 per share this is 165% of its face value. During the course of the last fiscal, exhibiting its confidence in the future of the Company, the Board had approved a buy-back of shares at a price of ₹ 125/- per share, resulting in buy-back of shares totalling to ₹ 139 crores.

As we look into the future, by end of year 2021 Redington would have evolved into a fully Digital Organization, leading with Services. This will not only allow your Company capture future growth opportunities by remaining "current" and "relevant", but will also move it up the earning value-chain with enhanced ROCE and high capital efficiency.

One of the great success stories of your Company is ProConnect Supply Chain Solutions, a fully-owned subsidiary, offering end-to-end Logistics and Warehousing solutions to a number of customers cutting across several industry verticals. Starting its journey 7 years ago with only Redington as its customer; today, while Redington retains the status of an anchor, ProConnect draws only 16% of its business from its parent organization. Its remaining business comes from more than 200 customers across 12 industries; including IT, Telecom, e-Commerce, Pharmaceutical, Consumer Durable, Paint and Manufacturing. With 180+ warehouses covering a total of 6.8 million square feet of space, a 26% growth in Revenue and a 13% growth in PAT during FY2018-19, ProConnect is poised for rapid scaling over the next 2-3 years. Retaining its focus on organic growth, ProConnect would also look to invest in inorganic opportunities with the aim of augmenting its business and geographical footprint, technology adoptions and Intellectual Property.

In order to provide the required leadership and focus to ProConnect, Mr. E H Kasturi Rangan has withdrawn from his position as the Whole Time Director of Redington and has assumed the responsibilities as the Managing Director of ProConnect Supply Chain Solutions Ltd. Simultaneously, Redington's Board has been augmented by the induction of Mr. S V Krishnan, the long standing Chief Financial Officer of India operations, as its Whole Time Director. Please join me in welcoming both of them to their new responsibilities and wishing them all success.

The Company is acutely conscious of the responsibilities that it carries towards the society which has allowed it to flourish and prosper. While practicing equal opportunity policies within the organization, the Redington CSR Trust works towards betterment and upliftment of the economically challenged constituents of our society, through investments which promote education, skill development, employability and health & wellness.

As I contemplate the future of your Company, I am excited by the multitude of opportunities that lay ahead. We will work hard and we will work very smart to ensure that we continue to add luster to the legacy of what is known as Redington.

Your Company has ambitious goals. The support of all our stake holders makes it possible for us to think big. I wish to thank you, our shareholders, for reposing faith in our Board and enriching the Company with your advice and inputs. I also take this opportunity to thank our valued Vendors and Channel partners, whose continued support has been and will remain critical to our success. Our sincere thanks to our Bankers whose unstinted support has always been a cherished asset. I also wish to thank our Auditors and all other stakeholders who have contributed meaningfully to our progress. My big Vote of thanks to our Board of Directors; I deeply appreciate the valuable support and guidance that I continuously receive from the richly experienced and highly knowledgeable members of our Board. Last but not the least, I take this opportunity to express my deepest appreciation to my team - the Redingtonians who make the Company what it is today. This team of wonderfully talented and committed professionals is the Company's greatest strength and their sense of ownership and relentless pursuit of excellence makes Redington such a great organization.

I look forward to your continued support and encouragement as we embark on our journey to take advantage of the exciting opportunities that present themselves during the course of the coming year.

With warm regards,

Raj Shankar
Managing Director

Creating value through CSR

BRINGING A RAY OF SUNSHINE TO THE LIVES OF THE UNDERPRIVILEGED

CSR @ Redington (Foundation) considers its social responsibility as an important mandate and has been working towards improving the living standards of the economically and socially challenged strata of the community. It has tailored its approach to specifically address the needs of women and children. We take great pride and quiet satisfaction in the fact that over the past 4 years, Redington's CSR activities, through its Foundation, has made material difference to the targeted segment and is being looked upon as an important organization engaged in socially meaningful initiatives.

We have been touched and humbled by our experience during this period. The team, comprising of active members and regular volunteers from Redington family, has itself been enriched by the very people who we are trying to help. The dedication, eagerness and sheer joy that the deprived segment of our society display in whatever initiative we engage in, has made us appreciate the value of every privilege that we have come to take for granted.

Striving for maximum impact, the Foundation focuses on areas of education, employability, preventive healthcare in rural communities.

Our **SLCs** (Smart Learning Centres), established in the midst of the targeted population, makes it much more convenient for them to access the opportunities and benefit from them. We feel a degree of satisfaction when we record that out of 5000 students who graduated during the last academic year after undergone training at the SLCs, 3000 have found gainful employment.

During the past year, the Foundation started two unique initiatives in partnership with the local administration in Tirunelveli district of Tamil Nadu.


District Collector of Tirunelveli seeing Montessori Trainees work

In one, we are helping to impart Montessori Teacher Training to the family members of sanitation workers. In the first phase, approximately 100 women have completed the training and several amongst them found employment in schools in their areas. With an aim to promote women entrepreneurship, the Foundation is actively working towards supporting the interested students to set up Montessori schools. It is working on a BOOT (Build, Own, Operate and Transfer) model, in collaboration with its training partners.


Students undergoing Mobile repair service training

The other initiative involved training for the Anganwadi teachers, who are responsible for early intervention towards education of rural children.

Additionally, The Foundation is also associated with Tuticorin district administration's project "New Wings", which is targeted towards rehabilitation of sanitation workers and their families.


Students undergoing solar panel repair training

Through Project **Excellence**, the Foundation aims to provide the students access to quality education. We are involved in imparting the required skills, know-how & techniques to the teachers covering over 60 schools across the country. The Foundation endeavours to lift the education standards by not only helping to improve the physical infrastructure, but also through smart class rooms, remedial classes, coaching towards NEET and career counselling programs. The success of the Foundation's efforts are reflected in the 100% pass record of these schools for Class X & Class XII exams, during the past three years.

Through Project **Reach**, the Foundation has engaged specialised teachers to impart Vocational Training to students and help them become self-employed.

In partnership with **V-Shesh**, English Sign Language training is offered to hearing-challenged students of Shanthi School in Sivasailam. It is a matter of joy to us that three such students have received admission for graduate courses at Rani Anna College, Tirunelveli.


Special children operating Weaving machine

The Foundation's initiatives in imparting employability skill training to differently abled youth has resulted in more than 40 youth, with special needs, getting placement as Data Entry Operators, Accounts Assistants, Billing and Packing Assistants and Primary School teachers.

Our **Preventive Healthcare** programmes aims to promote awareness about various illness and their preventive measures. In collaboration with local Doctors and Healthcare Institutions, the Foundation conducts medical camps for vaccination against Typhoid and Diarrhoeal diseases. We are engaged in reviving Health Centres in rural areas and supporting Primary Health Centres of Municipal Corporations with specialists in different areas of medicine.


Health Camp for Scavengers

Women Health and Hygiene is one of the most neglected areas in our society, especially in the underprivileged sections. As a small step towards correcting this situation, The Foundation has taken initiatives to install Sanitary Napkin Vending Machines and Incinerators in the select Schools, Colleges, Hostels and Healthcare Centres.

To address the natural reluctance of rural youth, especially women, to relocate to cities & towns where job opportunities are more abundant, the Foundation has introduced the concept of Meaningful Employment Centre – a Centre of Excellence. This aims to generate employment opportunities to villages, through association with various corporate organizations. **Meaningful Employment Centres** are presently active in Thanjavur and Tirunelveli zones. After necessary training, the students are gainfully employed as back office personnel at these centres for four corporate partners and the organizations, in turn, get the benefit of cost effective man power.

Going forward, the Foundation intends to collaborate with like-minded organizations on a long term basis for effective implementation of CSR projects. An early success is a collaboration with HP, one of our largest vendors, as their implementation partner, for their "World on Wheels" project in Tamil Nadu.

We consider it a privilege to be able to work through the Foundation towards bringing a smile on the faces of fellow citizens, who, otherwise form a neglected class of our society. It is just a small part that we are happy to play in an effort towards Nation Building.

Corporate Information

CHAIRMAN
Prof. J Ramachandran

MANAGING DIRECTOR
Raj Shankar

WHOLE-TIME DIRECTOR
E H Kasturi Rangan
(until 22nd May 2019)

S V Krishnan
(Appointed with effect from 22nd May 2019)

DIRECTORS
Tu, Shu-Chyuan
Chen, Yi-Ju
Udai Dhawan
V S Hariharan
Keith WF Bradley
B. Ramaratnam
Anita P Belani

COMPANY SECRETARY
M. Muthukumarasamy

STATUTORY AUDITORS
BSR & Co. LLP

SECRETARIAL AUDITOR
CS R Bhuvana

BANKERS – INDIA
Axis Bank Limited
BNP Paribas
Citi Bank
DBS Bank Limited
Deutsche Bank
Federal Bank Limited
First Abu Dhabi Bank
HDFC Bank Limited
ICICI Bank Limited
IDBI Bank Limited
IDFC Bank Limited
Kotak Mahindra Bank Limited
Mizuho Bank Limited
Standard Chartered Bank Limited
State Bank of India
The Hongkong & Shanghai Banking Corporation Limited
Yes Bank Limited

BANKERS – OVERSEAS
Axis Bank Ltd, UAE
BNP Paribas, KSA
BNP Paribas, UAE
Dubai Islamic Bank, UAE
Emirates NBD Bank, UAE
Deutsche Bank AG, UAE
First Abu Dhabi Bank, UAE
HSBC Bank Middle East Ltd, UAE
ICICI Bank, UAE
ICICI Bank Ltd, Bahrain
Mashreq Bank, UAE
Mashreq Bank, Qatar
National Bank of Fujairah, UAE
Standard Chartered Bank, UAE
Akbank, Turkey
Finansbank, Turkey
Garanti Bankası, Turkey
Halk Bank, Turkey
HSBC, Turkey
İNG, Turkey
İş Bankası, Turkey
Yapı Kredi, Turkey
Ziraat Bankası, Turkey
BNP Paribas, Singapore
HSBC Bank 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, Singapore

Consolidated Financials Highlights (Since Listing)

(₹ in crores)

Particulars	2018-19	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
Revenue	**46,599.4**	41,641.7	39,736.2	34,419.8	30,736.1	27,244.1	23,446.2	20,779.9	16,373.4	13,162.2	11,918.6	10,369.9	8,667.2	15.0%
EBITDA	**961.9**	855.5	866.2	817.6	761.9	719.6	684.2	633.4	471.7	365.7	329.6	259.0	198.5	14.1%
PBT @	**623.3**	630.6	654.5	590.3	555.5	485.1	462.4	450.3	351.0	275.9	219.0	177.1	127.3	14.2%
PAT @	**507.8**	481.6	464.2	423.5	386.5	336.6	323.1	292.7	226.0	184.3	159.7	136.1	101.7	14.3%
Networth	**3,906.0**	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	**5,558.1**	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	**2.1%**	2.1%	2.2%	2.4%	2.5%	2.6%	2.9%	3.0%	2.9%	2.8%	2.8%	2.5%	2.3%	
PAT / Revenue	**1.1%**	1.2%	1.2%	1.2%	1.3%	1.2%	1.4%	1.4%	1.4%	1.4%	1.3%	1.3%	1.2%	
Return on average capital employed *	**16.5%**	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 *	**13.7%**	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) (₹)#	**12.8**	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) (₹)	**99.8**	87.7	78.2	73.2	57.6	48.8	39.5	33.2	31.7	27.4	25.7	18.5	16.1	

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

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

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

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

BOARD'S REPORT

To the Members,

Your Directors are pleased to present their Twenty Sixth Annual Report together with the Audited Financial Statements of the Company for the Financial Year ended on March 31, 2019.

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

(Figures in ₹ /Crore)

Particulars	2018-19			2017-18		
	India Consolidated	Overseas Consolidated	Total Consolidated	India Consolidated	Overseas Consolidated	Total Consolidated
Revenue from operations	17,021.0	29,515.2	46,536.2	15,025.5	26,577.1	41,602.6
Other Income	47.8	15.4	63.2	24.4	14.7	39.1
Total Revenue	**17,068.8**	**29,530.6**	**46,599.4**	**15,049.9**	**26,591.8**	**41,641.7**
Total Expenses:						
a) Cost of goods sold	15,841.5	27,971.3	43,812.8	13,920.7	25,279.1	39,199.8
b) Employee Benefits	201.2	523.0	724.2	187.0	466.0	653.0
c) Other Expenses	622.9	477.6	1,100.5	522.1	411.3	933.4
Profit before Interest, Depreciation and Tax	**403.2**	**558.7**	**961.9**	**420.1**	**435.4**	**855.5**
a) Interest Expenses	128.8	75.4	204.2	101.1	66.9	168.0
b) Depreciation & Amortization Expenses	21.8	41.6	63.4	20.9	36.0	56.9
Profit before Tax and exceptional item	**252.6**	**441.7**	**694.3**	**298.1**	**332.5**	**630.6**
Exceptional item - Impairment of goodwill and other intangibles	-	71.1	71.1	-	-	-
Profit before Tax	**252.6**	**370.6**	**623.2**	**298.1**	**332.5**	**630.6**
Tax Expense	87.0	51.9	138.9	104.7	41.5	146.2
Minority Interest	1.2	(24.7)	(23.5)	1.1	1.7	2.8
Profit after Tax	**164.4**	**343.4**	**507.8**	**192.3**	**289.3**	**481.6**

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, 2018	1,162.98
Less: Expenses relating to buyback of Equity Shares	(2.29)
Profit for the Financial Year 2018-19	152.14
Sub total	**1,312.83**
Less: Appropriations	
Final Dividend paid (FY 2017-18)	96.04
Dividend Distribution Tax on Dividend paid *	15.92
Balance at the end of the year as on March 31, 2019	**1,200.87**

* Net of the Dividend Distribution Tax credit of ₹ 3.81 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 2018-19 have been prepared in accordance with the Indian Accounting Standards (Ind AS) as required under the Companies Act, 2013.

The consolidated revenue of your Company was ₹ 46,599.4 Crore as against ₹ 41,641.7 Crore in the previous year registering a growth of 12 %, while the consolidated net profit for the year grew by 5 % to ₹ 507.8 Crore for 2018-19 as against ₹ 481.6 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 ₹ 12.8 for the year under review as compared to ₹ 12.0 for the previous year.

A detailed analysis on the financial performance of the Company is given as part of the Management Discussion and Analysis report, which forms part of 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/acquired during the financial year under review are given as part of notes to the consolidated financial statements.

Dividend

To commemorate the 25 years of Company being in Distribution business and considering the continued good performance, the board recommended approximately 25% of the consolidated profits as final dividend. The Final dividend recommended is ₹ 3.30 per share (i.e. 165% of the Face Value) for the year ended March 31, 2019 as compared to ₹ 2.40 per share (i.e. 120% of the Face Value) for the previous year.

INDIAN OPERATIONS

INFORMATION TECHNOLOGY PRODUCTS

Compute and Print

While the PC still remains a primary device for both content creation and content consumption, during this decade, its primacy, especially in the content consumption space has been sharply eroded by the explosive increase in the use of large screen Smart Phones.

Lack of Broadband connectivity in tier-3 & tier-4 cities and slow pace of adoption of non-mobility technology outside the metros and large cities have resulted in a stagnant PC penetration ratios. Increase in product life-cycle span has also resulted in reduced traction in PC demand.

It is therefore significant that your company's deep understanding of the industry nuances and strong engagement with major PC brands enabled it to effectively leverage two key customer segments. The Education sector, driven by growth in technology-based digital education, was the most significant growth engine for consumer PC products and gave the much-needed buoyancy to the industry. The growing popularity of internet gaming is driving growth of PCs as gaming devices. Recognizing a potential growth, vendors have started offering customers broader choice of products. Experience in distributing Microsoft's X-Box gaming solutions has helped your Company develop a focused "Go To Market" strategy for Gaming PCs.

Stagnant/falling unit sales have been somewhat offset by the growing preference of Indian consumers for high-end personal computing machines. Consequent increase in Average Selling price (ASP) helped boost your company's revenue in the PC segment during FY 18-19.

Your Company's strong engagement with e-commerce companies has helped it take advantage of this GTM opportunity whose growth has been fuelled by "ease of buying experience" and attractive schemes involving "cash-back" and "interest-free EMI" options.

In Commercial computing space, your Company outpaced the Industry's moderate growth through strong engagements with vendors & partners who focused on Government, BFSI and Enterprise sectors. A finely tuned strategy of selective engagement for large projects, while aggressively targeting business in the SMB segment allowed your Company to strike an optimum balance between risk-prudence and revenue growth.

The last fiscal was for your Company in the Print & Print Consumable business. Your Company strengthened its Print portfolio by adding Canon as a new vendor. Alignment with technology trends in the Print segment allowed it to take advantage of the rapid growth in the demand for "Ink-tank" based printers, which offer consumers very low-cost print options.

Enterprise and Infrastructure

Demonstrating a good alignment with the prevailing demand environment, your Company exploited opportunities thrown up by the Central Government's and PSUs' focus on digitalization, net-based services and its ever-increasing adoption of technology for back-end and public interface functions.

The BFSI vertical continued its investment on technology refresh, driven by the need to have robust IT systems and databases, high-level Cyber Security systems and increased multi-channel data traffic from their users. Your Company's has strong relationship with BFSI focused partners and this helped it access revenue gains in this growth segment.

In contrast, the Telecom vertical - a major customer for IT products & solutions in the past, displayed reluctance in Capex decisions, resulting in muted demand. This can be attributed to stagnant revenues, worsened by cut-throat price competition, resulting in sharply falling "Average Revenue Per User" (ARPU).

The Manufacturing sector too failed to take off in spite of the Government's strong intention to promote "Make in India". Customers in this vertical tended to defer investments in IT infrastructure. There was some upswing in the second half of the fiscal year and this offers promise for the coming fiscal.

MOBILITY

The Indian consumer's demand for Mobile phone continued unabated, although the pace of growth did witness a degree of moderation. A steady decrease in prices of Smart Phones led to this category growing at a faster pace compared to the feature phones.

The explosion in the use of social media and Mobile apps has converted Smart phones into an essential part of everyday life, cutting across demographic segments and social strata.

The traditional brick-and-mortar stores faced increasing challenges in maintaining their business viability. In the latter part of the year, the introduction of e-Commerce business guidelines by the Government was an attempt towards levelling the playing field to some extent. The offline channel still remains the strongest GTM for most brands and the eco-system will develop a balance which will allow both online and offline stores co-exist, just like the traditional retail stores have maintained their viability despite the expansion of Large Format Retail stores in the country.

The mobile phone industry, which depends on large scale imports of finished goods, faces unique challenges in the light of Government's initiative to push for local manufacturing in India. Increase in import duty of mobile phones, coupled with a weakening rupee has impacted the businesses of most brands outside the Top 5.

The overall smartphone average selling price remained flat, with products in the USD 100 - 200 price bracket accounting for more than half of the smartphone market in India. The premium end of the market (above USD 500/- price range), though constituting only 3% of the overall demand, showed the fastest growth.

For your Company, the Mobility segment contributed nearly 19% of the annual revenue for India business. Your Company maintained its strong engagement with premium vendors like Apple, Google and Samsung. Apple India's GTM for the Indian market witnessed significant changes with the vendor deciding to consolidate the Distribution space. By the end of the last fiscal, your Company remained one of the two distribution partners for Apple and this helped your Company grow its revenues significantly in this portfolio.

Your company remains Google's key distributor in India for its Pixel brand of smartphones and strengthened its engagement with the vendor during the year gone by.

Your company continued to grow its engagement and market share with Samsung and is a major distributor in the B2B space.

EMERGING BUSINESS

Health & Medical Equipment

The year, FY 2018-19 witnessed your Company's growing presence in multiple areas of care and therapy.

While your Company strengthened its foothold with imaging, respiratory and homecare products, key new vendor contracts won in the area of critical care and diagnostics helped your Company establish its reputation as a multi-product, pan-India distributor for Medical Equipment, with a steadily increasing geographical presence and partner base.

Solar

The current state of the solar power generation industry is anything but encouraging. With issues such as a safeguard duty on imported panels and low per unit solar tariffs, FY19 was an extremely challenging period for the Indian solar industry. Apart from protective tariffs, issues like the lack of clarity on GST for turnkey projects, and implementation of new BIS standards pose major impediments to business. Market confidence was down due to cancellation and under-subscription of some major tenders. We have downsized our operations in this vertical and will review the business once there is a more favorable climate.

SERVICES

Cloud

The pace of Cloud adoption in India continues to rise with an increasing number of customers contemplating moving their non-critical workloads to the cloud. This has been accelerated by the continuous reduction in the "Total Cost of Ownership" for adopting the Cloud environment with many Service Providers expanding their in-country infrastructure footprint.

Your Company ventured early into the cloud business by investing, learning and building strong competencies as a cloud solutions-provider over the last three years.

Redington has established itself as the leading Distributor of Cloud Technology, with an emphasis on Managed Services. Our "Partner Focused – End Customer Oriented" approach has positioned it as the Distributor-of-Choice for both Cloud vendors as well as the channel community.

Your Company developed a unified digital cloud platform, to offer a portfolio of world-class cloud services, complete with a dashboard that partners can use for auto-provisioning, consumption analysis reports, subscription management and billing services.

The Company then proceeded to invest in a team of advanced pre-sales cloud solution architects and consultants who devised a cloud adoption framework. This helped as a prime focal point in offering solutions to enterprise business problems through cloud assessments, migration, security and optimization solutions.

Your Company has a team of cloud engineers to implement, migrate and manage the customers' workloads. This is offered under the umbrella of 'Redington Managed Cloud Solutions' and includes 24x7 support, cloud monitoring & cloud management, along with reactive and proactive support services.

We will continue to sharpen our cloud-services portfolio to capture an increasing share of this fast-expanding opportunity.

Other services

During FY 18-19, your Company's Digital Printing Solutions vertical maintained its industry leading performance in the segment it operates in. The Company shifted its focus to higher end machines which allow higher productivity and larger throughputs while offering the latest technological advancements in the field. With a rapidly growing installed machine base, the annuity based business model leveraging "pay-per-print impression" has ensured an uninterrupted income stream.

Indigo business is unique in that Redington does not limit its engagement with a customer just to the sale of a machine. Its involvement starts with discussing and establishing the business viability and encompasses commercial structuring, installation services, operator training and post-sales services through consumable / parts supply & equipment maintenance. In the APAC region, your Company was the no. 2 ranked partner for HP during FY 18-19 and over 8 successive quarters it ranked amongst the top two in Quarterly Channel Score Card rating.

Demand for 3D Printing equipment and solutions remain in its nascent stage. It is clearly the technology of the future with significant applications in the manufacturing sector and the medical industry. With its partnership with HP and investment in prototyping and manufacturing, your Company is strategically positioned to participate in future growth opportunities.

INDIAN SUBSIDIARIES

ProConnect Supply Chain Solutions Limited

ProConnect Supply Chain Solutions Limited (ProConnect) maintained its remarkable record of business growth. It is now recognized as a strong and established player in the 3PL business segment. During the course of FY 18-19, ProConnect took steps to consolidate its business with the customers and in the verticals that it already operates in, while identifying, evaluating and accessing unexplored growth segments.

Introduction of the GST regime has so far been a mixed blessing. While it has gone a long way towards streamlining operations, critical areas of integration were stabilized by the Government only during the course of the year and ProConnect is likely to experience the full benefits of the transition from FY 19-20 onwards.

During the course of the year, ProConnect further enhanced its Infrastructure back-bone. It now operates over 180 warehouses across India, spanning 6.80 million sq. ft. It upgraded its operational efficiency, service levels & process excellence to attain the certification level of ISO 9001:2015. With an aim to digitize its operations and further improve its service levels, ProConnect has rolled out a robust and customized ERP Software System. The modernization of IT infrastructure will help ProConnect during its next phase of accelerated growth.

ProConnect has adopted a finely balanced strategy of a mix of organic and inorganic growth. During FY 18-19, the company delivered a Revenue growth of 26%. Its acquisition of Auroma Logistics Pvt. Ltd. towards the end of the fiscal year allows it a strong footprint in the Consumer Durables industry. An important segment of ProConnect's business is the Mission Critical Services it offers to leading Global customers for their India operations. This business elevates ProConnect's position as a Value Added Service Provider in the 3PL business.

Ensure Support Services (India) Limited

Ensure Support Services (India) Limited (Ensure) is into repair and maintenance of technology products like printers, desktops, and laptops on behalf of brands and through contractual agreements with corporates. Over the last few years this business is getting commoditized posing a challenge for revenue and profit growth. Ensure is in the process of migrating to high end services like Managed Print Service and E-waste management. The focus and investment in the ensuing years will be on these high end business segment.

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 diversified business beyond Apple retail stores, to further tap online segment. Currents has strategically exited its business operations from Northern and Eastern regions in India and has now focused on its operations in the Southern region. This move is expected to bring more operational efficiency resulting in a profitable business scenario.

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.

The overseas operations of your Company were challenged by significant macro-economic issues in many of the markets it operates in. Global headwinds caused by slowing growth, dampened demand and trade wars led to uncertain business environments. However, your Company's ability to anticipate challenges and take the necessary steps to mitigate their impact was instrumental towards another year of stellar business results. Your Company's overseas business grew Revenue by 11%, EBITDA by 28% and net profit by 19%.

During the last fiscal, the Turkish economy faced some of the harshest challenges in its history. Its currency, the Lira, depreciated by as much as 36% against the dollar, before stabilising. Unemployment is at an all-time high at almost 15% and inflation touched an alarming 25% before receding slightly by the end of the fiscal year. The resultant steep decline in demand coupled with high interest rates made it one of the most difficult years for Turkish business houses. Your Company's subsidiary in Turkey too got impacted by these adverse circumstances and this resulted in the Company taking an impairment charge against the investment made in Arena. In spite of several adversities, Arena, by reducing costs and through better management of its working capital, delivered an EBITDA growth of 41% during the last quarter of FY 19.

Amidst continuing geopolitical tensions in the Middle East and general market slowdown, Governments in the region stepped up their investments in infrastructure, education, healthcare and other key sectors. Oil-exporting economies have also sharpened focus on diversifying their economies by increasing investments in non-oil industries. The economic blockade of Qatar by other Arab nations entered its second year and this, coupled with increased US sanctions on Iran continued to impact both geopolitical as well as economic stability of the region.

On the positive side, a significant increase in oil prices from historic lows have boosted national earnings of Nigeria and the countries in the Middle East. However, the sustainability of this price increase is in doubt due to a slowdown in the growth of many world economies.

With a focus on economic diversification away from oil, the region is witnessing changes in the tax and regulatory landscape. After the introduction of Value Added Tax (VAT) and Excise Duty in UAE and KSA in 2018, several GCC governments, notably KSA, are now implementing other regulations such as transfer pricing in an effort to further boost revenues.

In spite of a harsh business environment, your Company successfully overcame the challenges and recorded revenue and profit growth while maintaining tight control on working capital.

In terms of product mix, Mobility business continues to be a key contributor to the company's overseas revenues. Significant investments are being made to develop and build Analytics and Cloud Practice in the Enterprise business. Focus is also on building scale in the Services business, leveraging the consulting practice of its subsidiary, Citrus Consulting.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of Directors at their meeting held on 14th March 2019 appointed Ms. Anita P Belani as a Non-Executive Independent Director (Additional Director) for a period of three years with effect from April 1, 2019. A resolution for appointment of Ms. Anita as a Non-Executive Independent Director of the Company is included in the notice of the ensuing Annual General Meeting.

Prof. J. Ramachandran, Mr. V.S. Hariharan and Mr. Keith WF Bradley were appointed as Independent Directors on the Board for a period of five consecutive years at the Annual General Meeting held on July 31, 2014.

The Companies Act, 2013 (Act) provides that the appointment of Independent Directors can only be for two consecutive terms up to five years each and their office shall not be liable to retire by rotation. Since the aforesaid directors are completing their first term of appointment under the Companies Act, 2013 by July 31, 2019, it is proposed to re-appoint Prof. J. Ramachandran, Mr. V.S. Hariharan and Mr. Keith WF Bradley for a second term till March 31, 2024.

Mr. E. H. Kasturi Rangan (DIN: 01814089) was appointed as a Whole-Time Director at the Annual General Meeting held on July 27, 2016 for a period of three years with effect from May 24, 2016. As per his terms of appointment, his office as whole-Time Director of the Company would have expired on May 23, 2019. The Board of your Company felt that ProConnect Supply Chain Solutions Limited (ProConnect), a wholly owned subsidiary of the Company has immense potential to expand in the near future and decided that a senior management person to be appointed to focus and drive the growth of that entity. It suggested appointing Mr. E. H. Kasturi Rangan, who was monitoring the operations of ProConnect as its Managing Director. Accordingly, Mr. E H Kasturi Rangan tendered his resignation from the services of the Company with effect from 22nd May 2019.

Nomination and Remuneration Committee acknowledging the contribution by Mr. S V Krishnan, Chief Financial Officer, recommended his elevation as the Whole Time Director of the Company in the place of Mr. E. H. Kasturi Rangan. Considering the recommendation of Nomination and Remuneration Committee, the Board of Directors approved appointment of Mr. S V Krishnan as Whole Time Director for a period of 3 years with effect from 22nd May 2019.

Ms. Chen, Yi-Ju and Mr. Udai Dhawan, Directors of the Company will retire by rotation, and being eligible, have offered themselves for re-appointment.

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

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, 2019, 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, 2019 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.

AUDITORS

The Company's Statutory Auditors, M/s. 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, reports on the Corporate Governance, Business Responsibility and Management Discussion and Analysis are 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 of independence, as required under the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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.

Based on the results of assessments carried out by Management, no reportable material weakness or significant deficiencies in the design or operation of internal financial controls was observed. 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

During the year, 28,630 equity shares of ₹2 each, at a premium of ₹77.30 per share were allotted to employees including employees of Subsidiary Companies under the ESOP Scheme, 2008.

The disclosures as required under Regulation 14 of SEBI (Share Based Employee benefits) Regulations, 2014 is given in Annexure B to this Report. Certificate from the Statutory auditors of the Company stating that the 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 by the shareholders, will be placed at the Annual General Meeting.

Information on Conservation of Energy and Technology Absorption

A. 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 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	Rs in Crore
Rebates & discount	131.08
Dividends from overseas subsidiaries	12.84
FOB value of exports	-
Others	0.23
Total	**144.15**

Expenditure in foreign currency:

Particulars	Rs in Crore
CIF value of imports	3863.09
Royalty (cost of software included under purchases)	29.82
Foreign travel	0.01
Director's sitting fee	0.13
Director's commission	0.54
Total	**3893.59**

Policy on Appointment and Remuneration of Directors

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

Performance evaluation of the Board and Committees

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

Particulars of Employees

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

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

Particulars of loans given and investments made are given under Notes 16 and 7 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 Secretarial 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.

Buyback of Shares

The Board of Directors at their meeting held on 17th September 2018 considered and approved the proposal for buy-back of upto 11,120,000 equity shares of the Company at ₹125 per equity share for an aggregate amount not exceeding ₹139 Crores representing 8.22% and 4.32% respectively of the aggregate of standalone and consolidated paid up share capital and free reserves of the Company as on March 31, 2018. The Company has adopted the Tender Offer route for the purpose of the Buyback. A Letter of Offer was made to all eligible shareholders. On December 4, 2018, the Company completed the buy-back of 11,120,000 equity shares resulting in a reduction in the share capital and securities premium of the Company by ₹2.22 Crores and ₹136.78 Crores respectively.

Further, pursuant to the buy-back, the Company has also transferred an amount of ₹ 2.22 Crores from general reserve to capital redemption reserve in accordance with the provisions of the Companies Act, 2013. The transaction costs relating to buy-back amounting to ₹ 2.29 Crores was charged to Surplus in the Statement of Profit and Loss (Retained earnings) under Other Equity.

Investor Education and Protection Fund (IEPF)

Pursuant to the provisions of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company is required to transfer the unpaid or unclaimed dividend and shares in respect of which dividend entitlements are remaining unpaid or unclaimed for a period of seven consecutive years or more by any shareholder, to the Investor Education and Protection Fund. Accordingly the Company has transferred the unclaimed dividend of ₹ 1,26,589 to the IEPF and 1,094 shares to the demat account of the IEPF authority. The details of the shares due to be transferred to IEPF during FY 19-20 is made available in our website https://redingtongroup.com/india/shareholders_information/

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 2018-19.
- The Board decided not to transfer profit 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, 2019 and the date of this report.
- The Dividend Distribution Policy pursuant to SEBI (LODR) Regulations, 2015 is disclosed in Annexure K and on the website of the Company.
- The Company is not required to maintain cost records as specified under Companies Act, 2013.
- The Company has complied with applicable secretarial standards

Web links

Particulars	Weblink
Policy on Related Party Transaction	https://redingtongroup.com/wp-content/uploads/2018/12/Policy-on-dealing-with-Related-Party-Transactions.pdf
Policy for determining Material Subsidiaries	https://redingtongroup.com/wp-content/uploads/2019/04/Policy-on-dealing-with-Material-subsidiaries-final.pdf
Details of Familiarization Programmes	https://redingtongroup.com/wp-content/uploads/2018/12/Familiarisation-programme.pdf
Criteria of Making payment to Non-Executive Directors	https://redingtongroup.com/india/wp-content/uploads/sites/4/2018/05/PolicyonpaymenttoDirectors.pdf
Policy on appointment of Directors and remuneration for the Directors, Key Managerial Personnel and Other Employees	https://redingtongroup.com/wp-content/uploads/2018/12/NOMINATION-AND-REMUNERATION-POLICY.pdf
Annual Return	https://redingtongroup.com/wp-content/uploads/2019/06/Annual-Return.pdf

COMPLIANCE WITH OTHER REGULATIONS

Downstream Investment

With regard to the downstream investments in Indian Subsidiaries, the Company is in compliance with the FEMA regulations

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

Your Company has constituted Internal Complaints Committees as required under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, to consider and resolve all sexual harassment complaints. Your Company has framed a policy on 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 employee pertaining to Sexual Harassment, during the year under review.

ACKNOWLEDGMENT

Your Directors take this opportunity to thank the shareholders including the principal shareholders, suppliers, customers, bankers, business partners/associates, for their consistent support and encouragement to the Company. 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
Date: May 22, 2019

J Ramachandran
Chairman

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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	Details
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 : ₹.89.76

D Diluted EPS for the financial year ended March 31, 2019 : ₹.3.84

E Option Movement during the year 2018-19

Sl. No	Particulars	Numbers	Wt. Avg Exercise price(₹)
1	Options outstanding at the beginning of the year	12,292	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	5,726	396.50
6	Options Lapsed during the year	2,747	-
7	Total number of shares arising as a result of exercise of options	28,630	396.50
8	Money realised by exercise of options (In ₹)	22,70,359.00	-
9	Options outstanding at the end of the year	3,819	396.50
10	Options exercisable at the end of the year	3,819	396.50

F Weighted average exercise price of options granted during 2018-19 whose

(a)	Exercise price equals market price	No options were granted during FY 2018-19
(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 2018-19 whose

(a)	Exercise price equals market price	No options were granted during FY 2018-19
(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 2018-19 to:

(i)	Senior managerial personnel:	No options were granted during FY 2018-19
(ii)	Employees who were granted, during any one year, options amounting to 5% or more of the options granted 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 2018-19
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 86,81,681 equity shares of Rs. 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	86,81,681
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 are given in note no. 43 of the standalone Financial statements. The scheme is administered by Compensation Committee and no Trust has been created for this purpose.

B SAR Movement during the year 2018-19

Sr. No	Particulars	Details
1	SARs outstanding at the beginning of the year	81,49,000
2	Number of SARs granted during the year	-
3	SARs Forfeited / Lapsed during the year	6,31,400
4	SARs Vested during the year	7,57,400
5	SARs Exercised / Settled during the year	-
6	SARs outstanding at the end of the year	75,17,600
7	SARs exercisable at the end of the year	7,53,200

C Employee-wise details of SARs granted during the financial year 2018-19 to:

(i)	Senior managerial personnel:	No SARs were granted during FY 2018-19
(ii)	Employees who were granted, during any one year, SARs amounting to 5% or more of the SARs granted during the year	
(iii)	Identified employees who were granted SARs, 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	

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) OF THE COMPANIES ACT, 2013 AND THE RELEVANT RULES:

Note:

1. Total Remuneration entitled (paid/payable) for the entire Financial year 2018-19 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	6.4
Mr. V. S. Hariharan	Non Executive Independent Director	5.8
Mr. Keith WF Bradley	Non Executive Independent Director	5.6
Mr. B. Ramaratnam	Non Executive Independent Director	5.5
Mr. E.H. Kasturi Rangan	Whole Time Director	18.5

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.

Names	Designation	YOY %
Prof J. Ramachandran	Chairman, Non Executive Independent Director	1.4
Mr. V. S. Hariharan	Non Executive Independent Director	1.8
Mr. Keith WF Bradley	Non Executive Independent Director	2.8
Mr. B. Ramaratnam	Non Executive Independent Director	1.1
Mr. E.H. Kasturi Rangan*	Whole - Time Director	-27.3
Mr. S. V. Krishnan*	Chief Financial Officer	-24.7
Mr. M. Muthukumarasamy*	Company Secretary	-4.3

*During FY 18, these Key Managerial Personnel were eligible for Long Term incentive. This is not applicable for FY 19.

Note: Mr. Raj Shankar, Managing Director of the Company is being paid remuneration from 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: 4.2%

D. Number of permanent employees on the rolls of Company as on March 31, 2019: 1,573

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. 2018-19 was 6.9%. Change 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, 2019 in terms of remuneration drawn during FY 18-19:

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	Rs. 92,54,441	Rs. 90,69,435	Rs. 75,25,005	Rs. 87,25,000	Rs. 70,07,559
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	16.5 years	19 years	21 years	21.5 Years	19 years
Date of Joining	October 1, 2002	April 1, 2000	May 18, 1998	August 21, 1997	April 19, 2000
Age	54	61	46	50	58
Last Employment	Practicing Chartered Accountant	Ekman India Private Limited	Ashok Leyland Limited	Pertech Computers Limited	Systime Computer Limited
No. of shares as on March 31, 2019	10,050	207	50,408	Nil	5,941
Relation to Board of Directors	Nil	Nil	Nil	Nil	Nil

Name of the Employee	**Mr.J.K.Senapati**	**Mr. Anand Chakravarthy**	**Mr. Gautam Hukku**	**Mr. R. Venkatesh**	**Mr. Gurbir Singh Bhatia**
Designation	President	President	Executive Vice President	Executive Vice President	Chief Digital Officer
Remuneration	Rs. 76,94,906	Rs. 76,94,920	Rs. 66,87,027	Rs. 66,87,000	Rs. 95,00,000
Nature of employment	Permanent	Permanent	Permanent	Permanent	Permanent
Qualification	Master of Business Administration	Master of Business Administration	Master of Business Administration	Bachelor of Science	B.E, SMP, PMP, Data Sciences & Analytics
Experience with the Company	21 years	12 Years	15 years	18.5 years	1.6 years
Date of Joining	June 15, 1998	April 10, 2007	February 17, 2004	October 27, 2000	November 15, 2017
Age	53	52	53	42	48
Last Employment	Sinar Mas (India) Private Limited	Redington Pte Limited, Singapore	Tech Pacific India Limited	Nebula Technologies Private Limited	CMA CGM Shared Service Centre India Pvt. Ltd.
No. of shares as on March 31, 2019	Nil	Nil	12,218	Nil	50
Relation to Board of Directors	Nil	Nil	Nil	Nil	Nil

Note: During year under review, none of the employees were in receipt of remuneration of ₹1.02 Crores or more in aggregate, if employed through out the year and of ₹8.5 Lacs or more per month in aggregate, if employed for a part of the year.

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 exists in the 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.

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

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

https://redingtongroup.com/wp-content/uploads/2018/12/CSR-policy.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 computed as per CSR provisions for last three financial years – ₹ 287.27 Crore

4. Prescribed CSR expenditure for the year 2018-19 (2%) - ₹ 5.75 Crore

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

a) Total amount to be spent in the financial year :₹ 5.75 Crore

b) Total amount spent in the financial year* : ₹ 5.75 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 spent directly by the Company/ trust during the financial year

(₹ in Crore)

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 in New Delhi	3.11	2.71	10.90	Through Foundation for CSR @ Redington
2	REACH	Education		0.43	0.25	1.46	
3	EXCELLENCE	Education		2.22	1.36	5.99	
4	Wellness program and revival of Health centers	Preventive Healthcare		0.20	0.13	0.18	
5	Employability Skills Training	Education		-	-	0.04	Direct
6	Protection of flora and fauna	Environment	Ghaziabad	-	-	0.05	
7	Common expenses			0.35	0.23	0.94	
	TOTAL			**6.31**	**4.68**	**19.56**	

During FY 19, in addition to FY 19's prescribed expenditure of ₹5.75 Crore, the foundation budgeted to spend the amount including last year's unspent amount of ₹0.56 Crore. The total expenditure budgeted by the foundation was ₹6.31 Cr. Out of which the foundation spent ₹ 4.68 Crore and ₹1.63 crore is to be spent during H1 FY20 for activities identified. 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 2019

[Pursuant to Section 204(1) of the Companies Act, 2013 and RuleNo.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 2019 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 2019 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 thereunder;
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, 2018;
    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 Secretarial Standards issued by the Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs.

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 Committees of the Board, as the case may be.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

I further report that during the audit period, the Company had announced on 17th September 2018, a buyback of upto 1,11,20,000 shares of face value Rs. 2/- each, aggregating to Rs. 139 Crores representing 8.22% and 4.32% respectively of the aggregate of the standalone and consolidated paid-up share capital and free reserves of the Company as on March 31, 2018 at a price of Rs. 125/- per equity share through the tender offer route. The Company bought back 1,11,20,000 fully paid up equity shares and extinguished the same.

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

Place : Chennai
Date : May 22, 2019

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. Whereever 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 22, 2019

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, 2019

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.redingtongroup.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%

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	88	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)
5.	Auroma Logistics Private Limited*	72A, Ballygunj Place South Point School Kolkotta Kolkata WB 700019	U74999WB2009PTC153684	90	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)

Sl. No	Name of the Company	Address of the Company	CIN/GLN	Ownership interest %	Beneficial interest %	Applicable Section
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)
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 centrePost 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.	Redington Uganda Ltd.	PO Box 33009, Plot # 15, Mulwana Road, Industrial Area, Opposite Uganda Batti Kampala, Uganda	NA	100	100	Sec. 2(87)

Sl. No	Name of the Company	Address of the Company	CIN/GLN	Ownership interest %	Beneficial interest %	Applicable Section
24.	Redington Kenya (EPZ) Ltd.	PO BOX 383-00606 School Lane, Westlands Nairobi, Kenya	NA	100	100	Sec. 2(87)
25.	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)
26.	Cadensworth UAE LLC ^	Office No. 507, Atrium Centre Khalid Bin Waleed Road PO BOX No. 12816Dubai, UAE	NA	49	100	Sec. 2(87)
27.	Redington Gulf FZE CO.	1st floor Haj Hashim Printing Press Building Sultan Muthafar st Erbil	NA	100	100	Sec. 2(87)
28.	Redington Qatar WLL ^	Barwa Commercial Avenue, Safwa, Block # 29, Mesaimeer Doha Qatar	NA	49	100	Sec. 2(87)
29.	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)
30.	Redington Kazakhstan LLP	117,Makatayeva streeet Zhetysuisky district Almaty City, Kazakhstan - 050050	NA	100	100	Sec. 2(87)
31.	Redington Morocco Ltd.	292 Boulvard Zerktouni Maari Morocco	NA	100	100	Sec. 2(87)
32.	Redington Senegal Limited SARL	Abc Commercial 1 & 2 Round Point J d Eau Dakar Senegal.	NA	100	100	Sec. 2(87)
33.	Redington Saudi Arabia Distribution company	PO Box 66120 Riyadh 11576 Kingdom of Saudi Arabia	NA	75	100	Sec. 2(87)
34.	Ensure Technical Services Morocco Limited (SARL)	Galerie Riad Anfa Bd Bourgoune Mag NO. 37 Anfa Casablanca. Morocco	NA	100	100	Sec. 2(87)
35.	Ensure Ghana Limited	C371/3, Dufie House, Samoramichel Raod, Aslyum Down Roundabout, Aslyum Down, Accra, Ghana.	NA	100	100	Sec. 2(87)
36.	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)
37.	Ensure Middle East Trading LLC ^	Shop No.105 & 105, Mezzanine floor Al Khaleej Centre Burdubai – UAE	NA	49	100	Sec. 2(87)
38.	Ensure Technical Services Kenya Limited	PO BOX 383-00606 School Lane, Westlands Nairobi, Kenya	NA	100	100	Sec. 2(87)
39.	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)
40.	Ensure Services Uganda Limited	Plot # 15, Mulwana Road, Industrial Area,Opposite Uganda Batti Kampala, Uganda.	NA	100	100	Sec. 2(87)
41.	Redington Tanzania Ltd.	11a, Ist Floor, Swiss Tower Un Road, Upanga PO Box 38096, Dar Es Salaam Tanzania	NA	100	100	Sec. 2(87)
42.	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)

Sl. No	Name of the Company	Address of the Company	CIN/GLN	Ownership interest %	Beneficial interest %	Applicable Section
43.	Paynet Ödeme Hizmetleri A.Ş.#	Göktürk Merkez Mahallesi, Göktürk Caddesi No:4 Eyüp/İstanbul	NA	49.40	49.40	Sec. 2(87)
44.	CDW International Trading FZE	CDW International Trading FZE #427, Building No: 6WA PO Box: 371554 DAFZA,Dubai	NA	100	100	Sec. 2(87)
45.	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)
46.	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	100	100	Sec. 2(87)
47.	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)
48.	Redington Distribution Company LLC	22 Kamal El Din Hussein Street, Sheraton, Cairo, Egypt	NA	99	100	Sec. 2(87)
49.	Ensure Middle East Technology Solutions LLC^	PO :52439 Office 102 Burj Al Arab Tower, Hamdan Str, Abu Dhabi	NA	49	100	Sec. 2(87)
50.	Citrus Consulting Services FZ LLC	Executive Office No.3 Ground floor, Building 01, Dubai Internet city Dubai, UAE	NA	84.80	84.80	Sec. 2(87)
51.	Online Elektronik Ticaret Hizmetleri Anonim Sirketi#	Merkez Mahallesi, Göktürk Caddesi No: 4 Eyüp 34077 Istanbul Turkey	NA	44.46	44.46	Sec. 2(87)
52.	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)
53.	Paynet (Kibris) Odeme Hizmetleri#	7 İnegöl Sokak Karakol Gazimağusa Kıbrıs	NA	49.4	49.4	Sec. 2(87)
54.	Ensure Services Limited	9th Floor, 18, Al Bustan St, Bab Al Louq, Abdeen, Cairo	NA	99	100	Sec. 2(87)
55	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)
56	Africa Joint Technical Services	Shabiyah, Tripoli Libya	NA	65	100	Sec. 2(87)
57	Redington Angola Ltd.	Largo 4 De Fevereiro N 3, Ingombota Luanda, Angola	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 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
b.	CENTRAL GOVERNMENT/ STATE GOVERNMENT(S)	0	0	0	0.00	0	0	0	0.00	0
c.	BODIES CORPORATE	0	0	0	0.00	0	0	0	0.00	0
d.	FINANCIAL INSTITUTIONS/ BANKS	0	0	0	0.00	0	0	0	0.00	0
e.	ANY OTHER	0	0	0	0.00	0	0	0	0.00	0
	SUB - TOTAL (A)(1)	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0**
2.	FOREIGN									
a.	INDIVIDUALS (NON- RESIDENT INDIVIDUALS/ FOREIGN INDIVIDUALS)	0	0	0	0.00	0	0	0	0.00	0
b.	BODIES CORPORATE	0	0	0	0.00	0	0	0	0.00	0
c.	INSTITUTIONS	0	0	0	0.00	0	0	0	0.00	0
d.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0.00	0
e.	ANY OTHER	0	0	0	0.00	0	0	0	0.00	0
	SUB - TOTAL (A)(2)	0	0	0	0.00	0	0	0	0.00	0
	TOTAL SHARE HOLDING OF PROMOTER AND PROMOTER GROUP (A) = (A)(1)+(A)(2)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0.00**	**0**
B.	**PUBLIC SHAREHOLDING**									
1.	INSTITUTIONS									
a.	MUTUAL FUNDS/UTI	51882734	0	51882734	12.97	54738685	0	54738685	14.07	1.10
b.	FINANCIAL INSTITUTIONS/ BANKS	14832	0	14832	0.00	20875	0	20875	0.01	0
c.	CENTRAL GOVERNMENT/ STATE GOVERNMENT(S)	0	0	0	0.00	0	0	0	0	0
d.	VENTURE CAPITAL FUNDS	0	0	0	0.00	0	0	0	0	0
e.	INSURANCE COMPANIES	28074785	0	28074785	7.02	21577719	0	21577719	5.55	-1.47
f.	FOREIGN INSTITUTIONAL INVESTORS	2266001	0	2266001	0.57	4874334	0	4874334	1.25	0.69
g.	FOREIGN VENTURE CAPITAL INVESTORS	0	0	0	0.00	0	0	0	0	0
h.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0	0
i.	ANY OTHER									
	Alternate Investment Funds	0	0	0	0.00	1215441	0	1215441	0.31	0.31

	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 I	14187306	0	14187306	3.55	8848568	0	8848568	2.27	-1.27
	Foreign Portfolio Investor (Corporate) Category II	116786462	0	116786462	29.18	118409957	0	118409957	30.43	1.25
	Foreign Portfolio Investor (Corporate) Category III	19312287	0	19312287	4.83	6732753	0	6732753	1.73	-3.10
		150286055	**0**	**150286055**	**37.56**	**133991278**	**0**	**133991278**	**34.44**	**-3.12**
	SUB - TOTAL (B)(1)	**232524407**	**0**	**232524407**	**58.11**	**216418332**	**0**	**216418332**	**55.62**	**-2.49**
2.	NON-INSTITUTIONS									
a.	BODIES CORPORATE	9719379	0	9719379	2.43	7928343	0	7928343	2.04	-0.39
b.	INDIVIDUALS -									
	I INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL UPTO RS. 1 LAKH	6164533	14156	6178689	1.54	8238717	13156	8251873	2.12	0.58
	II INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL IN EXCESS OF RS. 1 LAKH	790333	0	790333	0.20	4980431	0	4980431	1.28	1.08
c.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0.00	0
d.	ANY OTHER									
	Clearing Members	105683	0	105683	0.03	170486	0	170486	0.04	0.01
	Directors And Their Relatives	609946	50	609996	0.15	609946	50	609996	0.16	0.01
	Foreign Corporate Bodies	53837727	94295940	148133667	37.02	53837727	94295940	148133667	38.07	1.05
	Foreign Nationals	24500	1250	25750	0.01	24500	1250	25750	0.01	0.00
	Hindu Undivided Families	290262	0	290262	0.07	526812	0	526812	0.14	0.07
	Non Resident Indians	1744637	41445	1786082	0.45	1961075	17195	1978270	0.51	0.06
	IEPF	2967	0	2967	0.00	4061	0	4061	0.00	0.00
	Trusts	5470	0	5470	0.00	53294	0	53294	0.01	0.01
		56621192	**94338685**	**150959877**	**37.72**	**57187901**	**94314435**	**151502336**	**38.94**	**1.21**
	SUB - TOTAL (B)(2)	**73295437**	**94352841**	**167648278**	**41.89**	**78335392**	**94327591**	**172662983**	**44.38**	**2.48**
	TOTAL PUBLIC SHAREHOLDING (B) = (B)(1)+(B)(2)	**305819844**	**94352841**	**400172685**	**100**	**294753724**	**94327591**	**389081315**	**100**	**0**
	TOTAL (A)+(B)	**305819844**	**94352841**	**400172685**	**100.00**	**294753724**	**94327591**	**389081315**	**100.00**	**0**
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
	Public	0	0	0	0.00	0	0	0	0.00	0
	TOTAL CUSTODIAN (C)	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0**
	GRAND TOTAL (A)+(B)+(C)	**305819844**	**94352841**	**400172685**	**100**	**294753724**	**94327591**	**389081315**	**100**	**0**

(ii) Shareholding of promoters – Nil

(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-2018	0	0.00	0	0.00
	Changes during the Year	0	0.00	0	0.00
	At the end of the Year 31-Mar-2019	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-2018		94295940	23.56	94295940	23.56
	At the end of the Year 31-Mar-2019		94295940	24.24	94295940	24.24
2	MARINA IV (SINGAPORE) PTE.LTD.					
	At the beginning of the year 01-Apr-2018		39425695	9.85	39425695	9.85
	At the end of the Year 31-Mar-2019		39425695	10.13	39425695	10.13
3	ICICI PRUDENTIAL LIFE INSURANCE COMPANY LTD					
	At the beginning of the year 01-Apr-2018		28074785	7.02	28074785	7.02
	Changes during the year					
	Date of Change	Reason				
	06-Apr-2018	Sale	-8615	0.00	28066170	7.21
	13-Apr-2018	Sale	-82427	0.02	27983743	7.19
	20-Apr-2018	Sale	-9335	0.00	27974408	7.19
	27-Apr-2018	Sale	-3226	0.00	27971182	7.19
	11-May-2018	Sale	-1297	0.00	27969885	7.19
	24-Aug-2018	Sale	-251251	0.06	27718634	7.12
	31-Aug-2018	Sale	-68908	0.01	27649726	7.11
	14-Sep-2018	Sale	-150478	0.04	27499248	7.07
	21-Sep-2018	Sale	-77129	0.02	27422119	7.05
	28-Sep-2018	Purchase	+109400	0.03	27531519	7.08
	05-Oct-2018	Purchase	+305104	0.08	27836623	7.15
	12-Oct-2018	Sale	-84903	0.02	27751720	7.13
	19-Oct-2018	Sale	-67701	0.02	27684019	7.12
	26-Oct-2018	Sale	-1368187	0.35	26315832	6.76
	02-Nov-2018	Sale	-3750	0.00	26312082	6.76
	09-Nov-2018	Purchase	+3375	0.00	26315457	6.76
	16-Nov-2018	Sale	-81564	0.02	26233893	6.74
	23-Nov-2018	Sale	-91628	0.02	26142265	6.72
	07-Dec-2018	Sale	-881102	0.23	25261163	6.49
	14-Dec-2018	Sale	-102158	0.03	25159005	6.47
	21-Dec-2018	Sale	-1857	0.00	25157148	6.47
	28-Dec-2018	Purchase	+2619	0.00	25159767	6.47
	31-Dec-2018	Purchase	+3757	0.00	25163524	6.47
	11-Jan-2019	Purchase	+52	0.00	25163576	6.47
	18-Jan-2019	Sale	-76262	0.02	25087314	6.45
	25-Jan-2019	Sale	-270028	0.07	24817286	6.38
	01-Feb-2019	Sale	-1439229	0.37	23378057	6.01
	08-Feb-2019	Sale	-130700	0.03	23247357	5.97
	15-Feb-2019	Sale	-191789	0.05	23055568	5.93
	22-Feb-2019	Sale	-451204	0.12	22604364	5.81
	01-Mar-2019	Purchase	+565	0.00	22604929	5.81
	08-Mar-2019	Sale	-806534	0.21	21798395	5.60
	15-Mar-2019	Sale	-205000	0.05	21593395	5.55
	22-Mar-2019	Sale	-720	0.00	21592675	5.55
	29-Mar-2019	Sale	-14956	0.00	21577719	5.55
	At the end of the Year 31-Mar-2019		21577719	5.55	21577719	5.55
4(a)	HDFC TRUSTEE COMPANY LTD - A/C HDFC MID - CAPOPPORTUNITIES FUND					
	At the beginning of the year 01-Apr-2018		18167300	4.54	18167300	4.54
	Changes during the year					
	Date of change	Reason				
	27-Apr-2018	Purchase	+4100	0.00	18171400	4.67
	07-Dec-2018	Sale	-440597	0.11	17730803	4.56
	At the end of the Year 31-Mar-2019		17730803	4.56	17730803	4.56
4(b)	HDFC TRUSTEE COMPANY LTD - A/C HDFC HYBRID EQUITY FUND					
	At the beginning of the year 01-Apr-2018		0	0.00	0	0.00
	Changes during the year					
	Date of change	Reason				
	08-Jun-2018	Purchase	+8308502	2.13	8308502	2.14
	07-Dec-2018	Sale	-201459	0.05	8107043	2.08
	At the end of the Year 31-Mar-2019		8107043	2.08	8107043	2.08
4(c)	HDFC SMALL CAP FUND					
	At the beginning of the year 01-Apr-2018		6440000	1.61	6440000	1.61
	Changes during the year					
	Date of change	Reason				
	27-Apr-2018	Purchase	+190000	0.05	6630000	1.70
	11-May-2018	Purchase	+35000	0.01	6665000	1.71
	07-Dec-2018	Sale	-161598	0.04	6503402	1.67
	At the end of the Year 31-Mar-2019		6503402	1.67	6503402	1.67

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
4(d)	HDFC TRUSTEE COMPANY LTD - HDFC LONG TERM ADVANTAGE FUND					
	At the beginning of the year 01-Apr-2018		2000000	0.50	2000000	0.50
	Changes during the year					
	Date of change	Reason				
	07-Dec-2018	Sale	-48487	0.01	1951513	0.50
	At the end of the Year 31-Mar-2019		1951513	0.50	1951513	0.50
4(e)	HDFC TRUSTEE CO LTD A/C HDFC RETIREMENT SAVINGS FUND-EQUITY PLAN					
	At the beginning of the year 01-Apr-2018		416000	0.10	416000	0.10
	Changes during the year					
	Date of change	Reason				
	01-Jun-2018	Purchase	+150000	0.04	566000	0.15
	07-Dec-2018	Sale	-13722	0.00	552278	0.14
	At the end of the Year 31-Mar-2019		552278	0.14	552278	0.14
4(f)	HDFC TRUSTEE COMPANY LTD. A/C HDFC MULTI-ASSET FUND					
	At the beginning of the year 01-Apr-2018		0	0.00	0	0.00
	Changes during the year					
	Date of change	Reason				
	29-Jun-2018	Purchase	+180000	0.05	180000	0.05
	12-Oct-2018	Purchase	+30000	0.01	210000	0.05
	07-Dec-2018	Sale	-4372	0.00	205628	0.05
	At the end of the Year 31-Mar-2019		205628	0.05	205628	0.05
4(g)	HDFC TRUSTEE CO LTD A/C HDFC RETIREMENT SAVINGS FUND-HYBRID-EQUITY PLAN					
	At the beginning of the year 01-Apr-2018		87000	0.02	87000	0.02
	Changes during the year					
	Date of change	Reason				
	07-Dec-2018	Sale	-2108	0.00	84892	0.02
	At the end of the Year 31-Mar-2019		84892	0.02	84892	0.02
4(h)	HDFC TRUSTEE COMPANY LIMITED A/C HDFC BALANCED FUND					
	At the beginning of the year 01-Apr-2018		8308502	2.08	8308502	2.08
	Changes during the year					
	Date of change	Reason				
	08-Jun-2018	Sale	-8308502	2.14	0	0.00
	At the end of the Year 31-Mar-2019		0	0.00	0	0.00
5	FRANKLIN TEMPLETON INVESTMENT FUNDS					
	At the beginning of the year 01-Apr-2018		17926696	4.48	17926696	4.48
	Changes during the year					
	Date of change	Reason				
	08-Jun-2018	Purchase	+176000	0.05	18102696	4.65
	15-Jun-2018	Purchase	+985900	0.25	19088596	4.91
	29-Jun-2018	Purchase	+293869	0.08	19382465	4.98
	28-Sep-2018	Purchase	+188900	0.05	19571365	5.03
	05-Oct-2018	Purchase	+602128	0.15	20173493	5.18
	12-Oct-2018	Purchase	+309591	0.08	20483084	5.26
	07-Dec-2018	Sale	-1177979	0.30	19305105	4.96
	14-Dec-2018	Purchase	+88536	0.02	19393641	4.98
	21-Dec-2018	Purchase	+95900	0.02	19489541	5.01
	28-Dec-2018	Purchase	+106200	0.03	19595741	5.04
	31-Dec-2018	Purchase	+8200	0.00	19603941	5.04
	04-Jan-2019	Purchase	+4000	0.00	19607941	5.04
	11-Jan-2019	Purchase	+437164	0.11	20045105	5.15
	At the end of the Year 31-Mar-2019		20045105	5.15	20045105	5.15
6	FIDELITY PURITAN TRUST-FIDELITY LOW-PRICED STOCK FUND					
	At the beginning of the year 01-Apr-2018		14700000	3.67	14700000	3.67
	Changes during the year					
	Date of change	Reason				
	07-Dec-2018	Sale	-752590	0.19	13947410	3.58
	At the end of the Year 31-Mar-2019		13947410	3.58	13947410	3.58
7	FIAM GROUP TRUST FOR EMPLOYEE BENEFIT PLANS - FIAM EMERGING MARKETS COMMINGLED POOL$					
	At the beginning of the year 01-Apr-2018		12391155	3.10	12391155	3.10
	Changes during the year					
	Date of Change	Reason				
	07-Sep-2018	Sale	-23008	0.01	12368147	3.18
	14-Sep-2018	Sale	-205261	0.05	12162886	3.13
	21-Sep-2018	Purchase	+27934	0.01	12190820	3.13

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
	28-Sep-2018 Purchase	+116195	0.03	12307015	3.16
	05-Oct-2018 Purchase	+84140	0.02	12391155	3.18
	26-Oct-2018 Sale	-11255	0.00	12379900	3.18
	02-Nov-2018 Sale	-3384146	0.87	8995754	2.31
	09-Nov-2018 Sale	-35643	0.01	8960111	2.30
	16-Nov-2018 Sale	-214782	0.06	8745329	2.25
	23-Nov-2018 Sale	-117289	0.03	8628040	2.22
	30-Nov-2018 Sale	-514359	0.13	8113681	2.09
	07-Dec-2018 Sale	-592435	0.15	7521246	1.93
	14-Dec-2018 Sale	-405640	0.10	7115606	1.83
	21-Dec-2018 Sale	-57266	0.01	7058340	1.81
	28-Dec-2018 Sale	-637327	0.16	6421013	1.65
	31-Dec-2018 Sale	-33254	0.01	6387759	1.64
	04-Jan-2019 Sale	-29643	0.01	6358116	1.63
	11-Jan-2019 Sale	-63436	0.02	6294680	1.62
	18-Jan-2019 Sale	-44731	0.01	6249949	1.61
	25-Jan-2019 Sale	-590832	0.15	5659117	1.45
	01-Feb-2019 Sale	-1028643	0.26	4630474	1.19
	08-Feb-2019 Sale	-18979	0.00	4611495	1.19
	15-Feb-2019 Sale	-1585220	0.41	3026275	0.78
	22-Feb-2019 Purchase	+29400	0.01	3055675	0.79
	08-Mar-2019 Sale	-5	0.00	3055670	0.79
	At the end of the Year 31-Mar-2019	3055670	0.79	3055670	0.79
8	GOVERNMENT PENSION FUND GLOBAL				
	At the beginning of the year 01-Apr-2018	12292030	3.07	12292030	3.07
	Changes during the year				
	Date of Change Reason				
	22-Jun-2018 Sale	-27066	0.01	12264964	3.15
	29-Jun-2018 Sale	-167919	0.04	12097045	3.11
	06-Jul-2018 Sale	-160074	0.04	11936971	3.07
	13-Jul-2018 Sale	-687090	0.18	11249881	2.89
	20-Jul-2018 Sale	-7433	0.00	11242448	2.89
	27-Jul-2018 Sale	-19999	0.01	11222449	2.88
	03-Aug-2018 Sale	-176833	0.05	11045616	2.84
	10-Aug-2018 Sale	-84999	0.02	10960617	2.82
	17-Aug-2018 Sale	-42938	0.01	10917679	2.81
	24-Aug-2018 Sale	-241418	0.06	10676261	2.74
	31-Aug-2018 Sale	-29934	0.01	10646327	2.74
	07-Dec-2018 Sale	-640791	0.16	10005536	2.57
	25-Jan-2019 Sale	-1000000	0.26	9005536	2.31
	01-Feb-2019 Sale	-1668847	0.43	7336689	1.89
	29-Mar-2019 Sale	-3322	0.00	7333367	1.88
	At the end of the Year 31-Mar-2019	7333367	1.88	7333367	1.88
9	STANDARD CHARTERED PRIVATE EQUITY (MAURITIUS)III LIMITED				
	At the beginning of the year 01-Apr-2018	9849700	2.46	9849700	2.46
	At the end of the Year 31-Mar-2019	9849700	2.53	9849700	2.53
10	STANDARD CHARTERED PRIVATE EQUITY (MAURITIUS) LIMITED				
	At the beginning of the year 01-Apr-2018	7767867	1.94	7767867	1.94
	At the end of the Year 31-Mar-2019	7767867	2.00	7767867	2.00
11	FIDELITY FUNDS - ASIAN SMALLER COMPANIES POOL@				
	At the beginning of the year 01-Apr-2018	5470234	1.37	5470234	1.37
	Changes during the year				
	Date of Change Reason				
	06-Jul-2018 Purchase	+177974	0.05	5648208	1.45
	13-Jul-2018 Purchase	+445685	0.11	6093893	1.57
	20-Jul-2018 Purchase	+504758	0.13	6598651	1.70
	09-Nov-2018 Purchase	+2218949	0.57	8817600	2.27
	07-Dec-2018 Sale	-397166	0.10	8420434	2.16
	28-Dec-2018 Purchase	+767110	0.20	9187544	2.36
	31-Dec-2018 Purchase	+34687	0.01	9222231	2.37
	04-Jan-2019 Purchase	+65568	0.02	9287799	2.39
	25-Jan-2019 Purchase	+449027	0.12	9736826	2.50
	01-Feb-2019 Purchase	+1856933	0.48	11593759	2.98
	22-Feb-2019 Purchase	+190138	0.05	11783897	3.03
	At the end of the Year 31-Mar-2019	11783897	3.03	11783897	3.03

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 shareholder during the year

V) **Shareholding of Directors and Key Managerial Personnel**

Sl No	For each of the Directors and KMP		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No of shares	'% of total shares of the company	No of shares	'% of total shares of the company
1	MR. RAJ SHANKAR (MANAGING DIRECTOR)					
	At the beginning of the year 01-Apr-2018		594946	0.15	594946	0.15
	At the end of the Year 31-Mar-2019		594946	0.15	594946	0.15
2	MR. E H KASTURI RANGAN (WHOLE TIME DIRECTOR)					
	At the beginning of the year 01-Apr-2018		10050	0.00	10050	0.00
	At the end of the Year 31-Mar-2019		10050	0.00	10050	0.00
3	PROF. J RAMACHANDRAN (INDEPENDENT DIRECTOR)					
	At the beginning of the year 01-Apr-2018		5000	0.00	5000	0.00
	At the end of the Year 31-Mar-2019		5000	0.00	5000	0.00
4	MR. S V KRISHNAN (CHIEF FINANCIAL OFFICER)					
	At the beginning of the year 01-Apr-2018		53633	0.01	53633	0.01
	Changes during the year					
	Date of change	Reason				
	04-Dec-2018	Buyback	-3225	0.00	50408	0.01
	At the end of the Year 31-Mar-2019		50408	0.01	50408	0.01
5	MR. M MUTHUKUMARASAMY (COMPANY SECRETARY)					
	At the beginning of the year 01-Apr-2018		36805	0.01	36805	0.01
	At the end of the Year 31-Mar-2019		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	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**
Change in Indebtedness during the financial year (Principal Amount)				
Addition	1,094.06	10,251.46	-	11,345.52
Reduction	(1,145.15)	(10,136.09)	-	(11,281.24)
Net Change	**(51.09)**	**115.37**	**-**	**64.28**
Indebtedness at the end of the financial year				
i) Principal Amount	428.07	402.48	-	830.55
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	3.85	-	-	3.85
Total (i+ii+iii)	**431.92**	**402.48**	**-**	**834.40**

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 • Value of Perquisites u/s 17(2) Income Tax Act 1961 • Profits in lieu of salary as per Income Tax Act 1961	 92.44 - -
Stock Option	NIL
Sweat Equity	NIL
Commission - as % of profit - others, specify...	NIL
Others, please specify	NIL
Total Managerial Remuneration (A)	**92.44**
Ceiling as per the Act (being 10% of Net Profits of the Company as calculated under 198 of the Companies Act, 2013)	**2,388.07**

B. REMUNERATION TO OTHER DIRECTORS EARNED DURING THE YEAR: (₹ In Lakhs)

Particulars of Remuneration	Independent Directors				Grand Total
Name of Directors	Prof.J.Ramachandran	Mr.V.S.Hariharan	Mr.Keith WF Bradley	B.Ramaratnam	
Fees for attending Board/ Committee Meetings	7.10	5.75	4.9	4.5	22.25
Commissions	25.00	23.00	23.00	23.00	94.00
Others, Please Specify	-	-	-	-	
Total (B)	32.10	28.75	27.90	27.50	**116.25**
Ceiling as per the Act (being 1% of the Net Profits of the Company as calculated under Section 198 of the Companies Act, 2013)					**238.81**
Total (A+B)					**208.69**
Overall Ceiling as per the Act (being 11% of the Net Profits of the Company as calculated under Section 198 of the Companies Act, 2013)					**2626.88**

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD (₹ In Lakhs)

Particulars 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 • Value of Perquisites u/s 17(2) Income Tax Act 1961 • Profits in lieu of salary as per Income Tax Act 1961	 86.44	 40.31
Stock Option	NIL	NIL
Sweat Equity	NIL	NIL
Commission - as % of profit - others, specify...	NIL	NIL
Others, please specify	NIL	NIL
Total	**86.44**	**40.31**
Ceiling as per the Act	Not applicable	Not applicable

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 2018-19.

   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: Not Applicable

   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 22, 2019

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 TN 600032 IN
4.	**Website**	www.redingtongroup.com
5.	**E-mail id**	investors@redington.co.in
6.	**Financial Year reported**	2018-19
7.	**Sector(s) that the Company is engaged in (industrial activity code-wise)**	Wholesale distribution of machinery, equipment and supplies Code : 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 Countries of overseas operation being UAE, Saudi Arabia, Turkey, Nigeria and Kenya.
	Number of National Locations -	The company has PAN India presence through - 45 Sales Offices - 39 Service Centres & - 187 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

(Rs. in Crore)

1.	Paid up Capital	Rs. 77.82
2.	Total Turnover	Rs. 16,909.38
3.	Total profit after taxes	Rs. 152.14
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	3.78%

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 Skills training for the underprivileged, Training to differently abled, Sponsorship to educational institutions and needy students.
2	Preventive Healthcare	Immunization in public areas; Sanitation projects at schools; Health awareness Program; Revival of Health care centres

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

SECTION C: OTHER DETAILS

1.	Does the Company have any Subsidiary Company/ Companies?	Your Company has 62 Subsidiaries as on 31st March 2019. Out of these, in India, it has 2 wholly owned subsidiaries namely, ProConnect Supply Chain Solutions Limited and Ensure Support Services (India) Limited and two step down subsidiaries namely Rajprotim Supply Chain Solutions Limited and Auroma Logistics Private 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 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 have adopted the BR principles wherever possible and complied 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%]	Yes. Few of the company's suppliers take part in the BR initiatives of the Company (vendors who contribute about 22% of revenue). Our business partners take part in their independent BR initiatives. Percentage of participation : Less than 30%

SECTION D: BR INFORMATION

1 a)	**Details of Director/Directors responsible for BR Policy/Policies**	
	DIN	07525213
	Name	Mr B. Ramaratnam
	Designation	Independent Director
1 b)	Details of the BR head	
	DIN	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://redingtongroup.com/india/wp-content/uploads/sites/4/2018/05/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

Mr. B. Ramaratnam, Independent Director has been entrusted with reviewing the Business Responsibility initiatives taken up by the Company along with the support of Mr. E.H. Kasturi Rangan, who is the Whole-Time Director and BR head of the company.

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.

Corporate Social Responsibility Committee oversees the strategy and progress of the CSR initiatives undertaken by the company.

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

Your Company publishes BR report annually. Business Responsibility Reports have been made part of the Company's Annual report for the past 2 years and the recent BR report can be accessed through the following link:
https://redingtongroup.com/india/wp-content/uploads/sites/4/2018/08/RedingtonAR2017-18.pdf

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?

Your Company strongly believes that good governance is critical for business success and to achieve this we have articulated a strong code of Business conduct and Ethics which addresses Ethics, Transparency and Accountability of employees and Directors as well.

Your Company has also outlined a policy on anti-bribery provisions and prohibition of corrupt practices which is extended to the employees and Directors of subsidiary companies as well.

Your Company's policy lays down the expectations from its employees while dealing with the outside world.

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.

The company had received two complaints pertaining to non receipt of letter of offer for buy-back of shares during the financial year 2018-19. The same was immediately addressed by providing the shareholders with the Letter of offer . The complaint has therefore been 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	2	2	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. Redington is fully committed to environmental protection by distribution of RoHS (Reduction of Hazardous Substances) compliant products to its dealers. RoHS compliance is an integral part of our process and we have ensured that the vendor supplies RoHS compliant products.

With a strong presence in organized distribution, we are taking long strides towards the future of renewable energy with our solar business. Redington is focused on ensuring the availability of solar products in the India market by distributing high quality and technologically advanced Solar PV Panels, inverters, BOS and street lights which are environmental friendly and cost effective in the long run.

As a responsible corporate citizen of the country, Redington takes necessary steps towards safe disposal of E-waste at the end of the life cycle of such products. The Company is channelizing the e-waste generated through authorized recyclers as specified under E-waste management rules. It has also conducted awareness programs across Tamil Nadu during E-waste Awareness week. With an objective to Reduce, Re-use and Re-cycle electronic parts, Ensure Support Services (India) Limited, one of our wholly owned subsidiaries is engaged in the business of safe disposal of E-waste products

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?

Being a distributor, your company does not consume energy, water, raw material, power to the scale and magnitude of a manufacturing unit. However, we are consciously working towards optimum utilization of water and other natural resources. Your company has taken up the following initiatives towards this objective.

- Installing rain water harvesting system in the Company premises .
- Installing harmonic filters at the Corporate office which helps in judicious use of electricity thereby reducing consumption of non-renewable energy sources.

- Installing automatic water shut off valves at corporate office
- Installing CFL and other low energy consuming office equipment
- Restricting usage of printers /copiers

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 has incorporated the following measures in its operations in order to efficiently make use of its resources;

(a) Handheld terminals (HHT), which are digital communicating devices, are used resulting in paperless operation. This reduces the consumption of paper and in turn lessens deforestation.

(b) Mechanized mobile trolley with Scanner that runs on battery power are used resulting in increased performance and efficiency. It also results in eliminating carbon emission.

(c) Double deep Racking system used at the warehouses has resulted more pallet position whereby effective space utilization has been achieved

(d) Warehouses are designed in such a way that they utilize natural light instead of artificial lighting resulting in conservation of energy.

(e) Instead of diesel Fork lift, battery operated Material handling equipment are used which reduces carbon emission, thereby reducing pollution.

(f) Rain water harvesting systems and water treatment plants have been installed in its warehouses resulting in conservation of water.

(g) Stock transfers are planned efficiently in line with optimal fleet utilization thereby reducing waiting time, fuel usage and reduction of emissions.

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

Since, your 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 your Company are not dependent on usage of water or other natural resources.

To ensure minimal carbon footprint, the Company has incorporated environment-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 thereof, in about 50 words or so.

Your 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?

Your Company's subsidiary, ProConnect avails services of the persons residing in the nearby vicinity of their site operations, thereby providing employability opportunities in the community in which it operates. Further, it 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.

As a Bulk Consumer of IT products, your company has properly disposed and recycled the IT products that has been marked as "E-waste products" through an Authorized Recycler within the timeline as stipulated in the E-Waste Management Rules.

Being an importer, your Company disposed off the e-waste generated out of the imported products it distributes, as specified by Central Pollution Control Board (CPCB).

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.

The Company has designated E-waste collection points at various locations to collect the E-waste. 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.

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

1. **Please indicate the Total number of employees.**

   Total number of employees at Redington as on 31st March 2019 is 1,573

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

   Total number of employees hired on temporary/contractual/casual basis at Redington as on 31st March 2019 is 135.

3. **Please indicate the Number of permanent women employees.**

   Total number of women employees at Redington as on 31st March 2019 is 386

4. **Please indicate the Number of permanent employees with disabilities**

   Total number of permanent employees with disabilities at Redington as on 31st March 2019 is 2

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. Presently, the Company does not have any employee association.

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. 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 (India) and the Rules thereunder. The policy is hosted in the company's intranet website. Any concerns will be addressed in accordance with the procedures laid down in the policy. Internal Complaints Committee (ICC) has been structured to address POSH related issues.

   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 upgradation training in the last year?

Skill Upgradation Training:

The Company makes investment in employees' continuous learning and has now adopted a competency based approach in its hiring, talent development & performance management .

To exploit the advantage of 'anytime-anywhere learning' through digital platforms, Redington ensures vendor product certification, skill upgradation through Massive Open Online Courses (MOOC) offered by world renowned institutions for its employees. Employees are exposed to blended learning opportunities to stay relevant, efficient and keep the company ahead.

The Company in association with Coursera, edX & Udacity offers 66 courses under 13 categories (which includes Digital Marketing, Networking, Data Analytics, Cloud, IoT, Leadership skills etc) from 30+ World renowned Universities and renowned institutions like IIM – Bangalore, Yale University, Harvard University to name a few. The company shall bear the learning cost of the employees on successful completion of such course.

During the year, approximately 55% of Permanent Employees and 38% of Permanent Women Employees attended Skill Upgradation Training Programmes.

Safety Training

Redington always endeavored to support campuses that provide conducive working environment. Safety is the most important aspect we consider at Redington. We conduct mock Fire accident drills at campuses and provide training to combat such calamities. Each floor has a member from Emergency Response Team (ERT) and would be easily accessible in case of any emergency requirements.

The warehouses of the Company are managed by ProConnect. Safety drills and training with regard to warehouse operations are provided periodically.

At ProConnect, several Soft Skill training programs were conducted during the year. Approximately 34% of the workforce were provided training on the overall enhancement of their personality.

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
Customer	Periodical meets / Reviews Mailers / Brochures Personal visits / Interviews Satisfaction surveys

Stakeholders	Engagement Mode
Employee	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 individuals
   - Physically and mentally challenged (Differently abled people)

   The initiatives taken by the Foundation 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.

   Under the "New wings" project launched by District Collector of Tuticorin, the Foundation supported sanitary workers. The foundation in association with "New Wings" provides rehabilitation programs and conducted medical camps for more than 200 sanitary workers. The Foundation has been engaged with them through

   1. Health Awareness Programs
   2. Medical heath check ups and maintenance of health cards of the workers
   3. Material support towards Montessori teacher training and solar panel repair training to worker's family members.
   4. Regular engagement with family members of the workers

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 rights 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 webpage 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 and its subsidiary Ensure Support Services (India) Limited as a part of its Extended Producer Responsibility under the E-waste Regulations has carried out elaborate awareness programmes to the public enabling reduction of improper disposal of E-waste, which is now identified as a global environmental issue. We have also conducted E- Waste awareness programs across various locations in Tamil Nadu in the last financial year.

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 environment-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 (MCCI), Employee Federation of Southern India (EFSI) 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 a member of TDAI, your company has been providing suggestions to overcome the challenges faced by Distribution Industry and also made representations to Central Board Indirect Taxes and Customs India, through TDAI.

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. In addition to the above, employees of the Company and its subsidiaries, participate actively in the CSR initiatives of the Company. Approximately 30 employees participated in the various CSR programmes of the Company during the year.

   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. Proper evaluation of third parties are done before assigning any projects for implementation. Our In-House teams regularly interacts with them.

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 and its recommendations are being implemented.

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 as a result of the training imparted to them.

All programs are monitored and evaluated for progress by dedicated in-house teams on a continuous basis.

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 2018-19 is as follows;

Redington (India) Limited	:	Rs. 575.00 Lakhs
Ensure Support Services (India) Limited	:	Rs. 19.50 Lakhs
ProConnect Supply Chain Solutions Limited	:	Rs. 52.00 Lakhs
Rajprotim Supply chain solution Limited	:	Rs. 9.00 Lakhs
Auroma Logistics Private Limited	:	Rs. 9.12 Lakhs

The detailed project wise expenditure of the Company 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.**

8% of the consumer cases were addressed during FY 19 compared to 29% last year.

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?**

In addition to the regular interaction with the dealers, the company conducts customer satisfaction survey periodically to understand the requirement and expectation of the customers.

The Company has developed a robust system wherein our Data Analytics team with the survey information provide us the exact client's requirement so that it helps us in making right decision at right time and for right place.

Apart from this, the Company regularly meets its channel partners personally and gathers the pulse of the channel community.

The Results of the channel partner survey indicated 77% of satisfied customers for the current year. Company continues to strive for more satisfied customers. Also being a distributor of HP Indigo Printer, the Company conducts Total Customer Experience Survey on HP Indigo Customer. The outcome of the survey indicates 90% of satisfied customers compared to 87% last year.

Ensure Support Services India Limited (ESSIL), a subsidiary of the company, delivers services to customers directly. ESSIL uses a proven management tool "Net Promoter Score (NPS)" to gauge the satisfaction levels of the customers. The company set a NPS target of 82.5% and exceeded the same. Beyond the NPS survey, ESSIL has face to face review meetings with its corporate clients and their feedback is reviewed and concerns, if any, are addressed. ESSIL continues to make efforts to engage with its customers and improve the satisfaction levels.

REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON THE CODE OF CORPORATE GOVERNANCE

At Redington, corporate governance is the way of life and is enshrined as a part of our way of working. Our philosophy on Corporate Governance is built on foundation of ethical and transparent business operations. The cardinal principles such as independence, accountability, responsibility, transparency, and trusteeship serve as means for implementing the philosophy of Corporate Governance. It is designed to inspire trust among all stakeholders, strengthen the Board and management and thereby promotes and protects the long-term interests of all stakeholders. We always believe and promote open culture - If you have queries, ask them; if you have ethical concerns, raise them!

The Company is focused on enhancing long-term value creation for all stakeholders without compromising on integrity, societal obligations, environment and regulatory compliances. Our actions are governed by our values and principles, which are reinforced at all levels of the organisation. These principles have been and will continue to be our guiding force in future. Redington's governance structure is more than just adherence to statutory and regulatory requirements, and we are constantly in pursuit of adhering to emerging best practices globally.

Your Company has envisaged code of conduct and ethical practices in the right spirit of law, respecting the compliance requirements under varied statutes. Nevertheless, our commitment towards good governance would not be possible without our valued Redingtonians who have Integrity, Trust, Transparency and Independency in their DNA, the foundation of any good Corporate.

This report sets out the Company's Corporate Governance processes and activities for the financial year 2018-19 with reference to the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI (LODR) Regulations, 2015]

BOARD OF DIRECTORS

According to Warren B. Gennis, the distinguished management teacher and author, "Leaders keep their eyes on the horizon, not just on the bottom line".

Redington Board has a farsighted vision that drives the company relentlessly in competitive scenario always looking to achieve more without compromising the momentary gains. With a vision to maximize shareholder's return, they carefully consider their role as responsible leaders and articulate a clear set of organizational values embracing integrity, fairness and compassion towards all stakeholders.

Our Board of Directors comprises innovative leaders and big thinkers from a diverse set of industries and backgrounds. Their collective experience, wisdom and vision are the guiding force behind our ongoing journey as a leading distribution and supply chain solutions provider.

The roles and responsibilities of the Board of Directors are well defined to nurture and promote the culture of independency, transparency and integrity, the core values for a good governance structure.

The Board composition has been framed in compliance with the requirements of SEBI (LODR) Regulations, 2015 and the Companies Act, 2013. The total strength of the Board as on March 31, 2019 is nine (9) out of which seven (7) Directors are Non-Executive Directors. The Chairperson of the Board is a Non-Executive Independent Director and three (3) other Independent Directors constitute more than one third of the total strength of the Board. Our Independent Directors have satisfied and confirmed their "independence" criteria, stipulated in Regulation 16 (1) (b) of the SEBI LODR Regulations, 2015 and Section 149(6) of the Companies Act, 2013 ("Act") and the rules framed thereunder.

During the Financial Year 2018-19, six (6) Board Meetings were held on May 21, 2018, July 31, 2018,September 17, 2018, October 30, 2018, February 12, 2019 and March 14, 2019. 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 February 12, 2019.

The Directors, at the time of their appointment, are provided with information about the Company and its organization structure, business model, vision and values, latest published results and internal policies to enable them to familiarize themselves with the Company's procedures and practices. 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 and its subsidiaries in India and Overseas. The details of such familiarization programmes are uploaded on the website of the Company.(https://redingtongroup.com/wp-content/uploads/2018/12/Familiarisation-programme.pdf).

The Composition of the Board and the details of Directors' participation at the Board Meetings and the Annual General Meeting held during FY 2018-19:

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	6	6	
Mr. Tu, Shu-Chyuan	02336015	Non-Executive Director Nominee Director	6	4	
Ms. Chen, Yi-Ju	08031113	Non-Executive Director Nominee Director	6	5	
Mr. Udai Dhawan	03048040	Non-Executive Director Nominee Director	6	3#	
Mr. B. Ramaratnam*	07525213	Independent Director	6	4	
Mr. V.S. Hariharan	05352003	Independent Director	6	6	
Mr. Keith WF Bradley	06564581	Independent Director	6	5	
Mr. Raj Shankar	00238790	Managing Director	6	6	
Mr. E.H. Kasturi Rangan	01814089	Whole-Time Director	6	6	

Attended last AGM **Not Attended last AGM**

*Mr. B. Ramaratnam, Non-Executive Director was designated as Independent Director on May 21, 2018

In addition, Mr.Udai Dhawan, Non-Executive Nominee Director was present for the meeting held on March 14, 2019 through Audio Conferencing

Details of the Directorships and Membership/Chairmanship of Committees of each director in other Indian Public Companies as on March 31, 2019:

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

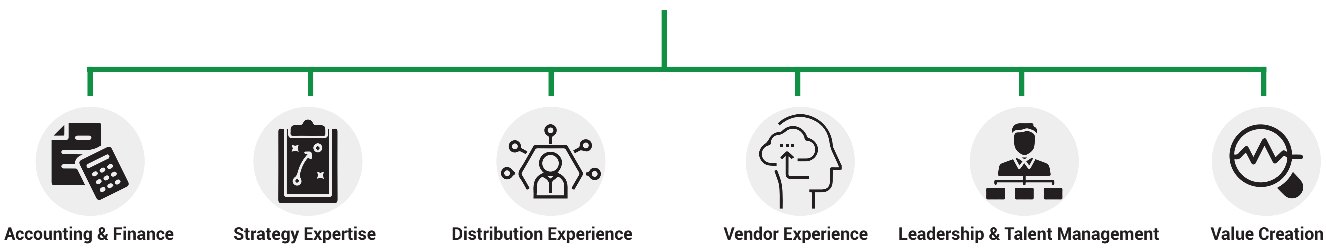
Details of the names of listed entities in which the above mentioned directors are Director and the category of their directorship:

Name	Name of the Listed entity (ies)	Category
Prof. J. Ramachandran	Reliance Communications Limited Sasken Technologies Limited	Independent Director Independent Director
Mr. Udai Dhawan	Prime Focus Limited	Non-Executive Director
Mr. B. Ramaratnam	Cholamandalam Financial Holdings Limited	Independent Director

Notes:

1. None of the Directors of the Company have held memberships in more than ten (10) committees or are they Chairpersons of more than five (5) committees at any time during the year [as per Reg.26 (1) 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)

Skills, Expertise and Competence of the Board of Directors



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; all other committees 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, which ever is higher. The Chairman of each of the Committees provide an update on the deliberations and decisions taken during the Committee meetings to the Board of Directors at the succeeding 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.

In this section, represents Independent Director and represents Non-Independent Director

(I) Audit Committee

Mr. B. Ramaratnam **Independent Director** **Chairman**	**Prof. J. Ramachandran** **Independent Director** **Member**	**Mr. V. S. Hariharan** **Independent Director** **Member**	**Mr. Keith WF Bradley** **Independent Director** **Member**

The Company's Audit Committee consists of four Independent Directors namely Prof. J. Ramachandran, Mr. V.S. Hariharan, Mr. Keith W F Bradley and 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 (Inhouse and External) 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. Periodically the Chairman of the Audit Committee does a detailed review with the Internal Audit and Statutory Audit team. Audit Committee members discuss with statutory auditors, before the audit commences about the nature and scope of audit, as well as post-audit to ascertain any area of concern. 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 (Listing Obligations and Disclosure Requirements) 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 inter alia, include the following:

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 Directors' Responsibility Statement which forms part of 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. 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;

Attendance record of Audit Committee:

During FY 2018-19, the Audit Committee met four times – May 21, 2018, July 30, 2018, October 29, 2018 and February 11, 2019. The details of attendance of Audit Committee meetings are given below:

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

(II) Stakeholders' Relationship Committee:

Mr. B. Ramaratnam
Independent Director
Chairman

Mr. Udai Dhawan
Non-Executive Director
Member

Mr. E.H. Kasturi Rangan
Whole-Time Director
Member

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 inter alia, include the following:

- 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, Independent Director, Mr. Udai Dhawan, Non-Executive Director and Mr. E.H. Kasturi Rangan, Whole-Time Director.

During the year, the Company had received two (2) complaints from the investors relating to non-receipt of Letter of Offer for Buyback of shares. Letter of Offer was duly sent to the investors, and the complaints were disposed off immediately. The Company has a dedicated e-mail address: investors@redington.co.in for shareholders to communicate their queries and grievances. No other complaints were received during the financial year.

The Company had an interactive session with one of its top 20 shareholders, in which Chairman of Stakeholders' Relationship Committee, Mr.B.Ramaratnam, participated and discussed on matters relating to the Company's performance and on Board governance.

Attendance record of Stakeholders' Relationship Committee:

During FY 2018-19, the Stakeholders' Relationship Committee met four times May 21, 2018, July 31, 2018, October 30, 2018 and February 12, 2019. The details of attendance of Stakeholders' Relationship Committee meetings are given below:

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

Note:

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

(III) Nomination and Remuneration Committee

Mr.V.S.Hariharan
Independent Director
Chairman

Prof. J. Ramachandran
Independent Director
Member

Mr. Udai Dhawan
Non-Executive Director
Member

Mr. Keith WF Bradley
Independent Director
Member

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).

SEBI vide their amendment had mandated Top 500 listed entities to appoint an Independent Woman Director. The Nomination and Remuneration Committee has already identified a candidate for the position of Independent Woman Director. The Chairman of the Committee makes recommendations 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 and one Non-Executive Director namely, Mr. V.S.Hariharan, Prof. J. Ramachandran, Mr. Keith WF Bradley and Mr. Udai Dhawan, respectively.

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

- 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 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 2018-19, the Nomination and Remuneration Committee met Four times – May 21, 2018, July 30, 2018, October 30, 2018 and February 11, 2019. The details of attendance of Nomination and Remuneration Committee meetings are given below:

Sl.No.	Name of the Director	Category	Position	Held during tenure	Attended
1	Mr.V.S.Hariharan	Independent Director	Chairman	4	
2	Prof.J.Ramachandran	Independent Director	Member	4	
3	Mr. Udai Dhawan *	Non-Executive Director	Member	3	
4	Mr. Keith WF Bradley	Independent Director	Member	4	

*Co-opted as a member at the Board Meeting held on May 21, 2018

Details of remuneration paid/payable to Directors for the financial year ended March 31, 2019

Sl.No.	Name of the Director	Salary &Perquisites (Rs./Lacs)	Commission (Rs. /Lacs)#	Performance Linked Bonus (Rs./Lacs)	Sitting Fees (Rs./Lacs)#	Total
1	Prof J. Ramachandran	-	25.00	-	7.10	32.10
2	Mr. V. S. Hariharan	-	23.00	-	5.75	28.75
3	Mr. Keith WF Bradley	-	23.00	-	4.90	27.90
4	Mr. B. Ramaratnam	-	23.00	-	4.50	27.50
5	Mr. E.H. Kasturi Rangan$	64.85	-	27.69	-	92.54
	Total	**64.85**	**94.00**	**27.69**	**22.25**	**208.79**

Exclusive of Goods and Services Tax

$ Salary entitlement for the full Financial Year 2018-19 is considered

Note:

To commemorate the 25 years of Company being in Distribution business, the Company paid its employees an ex gratia amount. Accordingly, Mr. Kasturi Rangan was paid Rs. 25000.

Shareholding of Directors of the Company as on March 31, 2019:

Sl.No.	Name of the Director	Category	No. of Shares	% to Equity Shares
1	Prof.J. Ramachandran	Independent Director	5,000	0.0013
2	Mr. Raj Shankar	Managing Director	5,94,946	0.1529
3	Mr. E.H. Kasturi Rangan	Whole Time Director	10,050	0.0026

No stock options were granted during FY 2018-19 to any of the Directors under Employee Stock Option Plan 2008.

During FY 2017-18, 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:

Sl.No.	Name of the Director	No. of Stock Appreciation Rights
1	Mr. Raj Shankar	25,000
2	Mr. E.H. Kasturi Rangan	1,45,000

(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.

Mr.V.S.Hariharan
Independent Director
Chairman

Mr. B. Ramaratnam
Independent Director
Member

Mr. Keith WF Bradley
Independent Director
Member

The CSR Committee of the Board comprises of Mr. V. S. Hariharan, Independent Director, Mr. Keith WF Bradley, Independent Director and Mr. B. Ramaratnam, Independent 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 2018-19, the Corporate Social Responsibility Committee met three times – May 21, 2018, October 29, 2018and February 11, 2019. The details of attendance of Corporate Social Responsibility Committee meetings are given below:

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

(V) Risk Management Committee

Mr. Keith WF Bradley
Independent Director
Chairman

Mr.V.S.Hariharan
Independent Director
Member

Mr. Raj Shankar
Managing Director
Member

Mr. E.H. Kasturi Rangan
Whole-Time Director
Member

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. Review and approve the Risk Management Policy and associated frameworks, processes and practices.
2. Ensure that the Company is taking appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities.
3. 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. 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. 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 July 30, 2018, October 29, 2018 and February 11, 2019. The details of attendance of Risk Management Committee meetings are given below:

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

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 https://redingtongroup.com/india/ 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 2018-19 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 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 2018-19.

Date : May 22, 2019
Place : Chennai

Raj Shankar
Managing Director

GENERAL BODY MEETINGS

I. Location and time of last three Annual General Meetings

Year	Location	Date	Day	Time
2017-18	NaradaGana Sabha, Mini Hall, No.314, T.T.K Road, Alwarpet, Chennai – 600 018	July 30, 2018	Monday	10.00 A.M
2016-17	NaradaGana Sabha, Mini Hall, No.314, T.T.K Road, Alwarpet, Chennai – 600 018	July 28, 2017	Friday	10.00 A.M
2015-16	NaradaGana Sabha, Mini Hall, No.314, T.T.K Road, Alwarpet, Chennai – 600 018	July 27, 2016	Wednesday	10.00 A.M

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

Year	
2017-18	a. Increasing the borrowing limits of the Company, provided that the total amount so borrowed shall not exceed Rs. 2000 crores at any time as prescribed under Section 180(1)(c) of the Companies Act, 2013 b. Creation of charge on all or any of the immovable and/or movable and/or intellectual properties of the Company, provided the amount of Loans shall not exceed Rs. 2000 crores, as prescribed under Section 180(1)(a) of the Companies Act, 2013
2016-17	None
2015-16	None

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

SUBSIDIARY COMPANIES

I. The Company has two Wholly Owned unlisted non-material Indian subsidiary companies viz., Pro Connect Supply Chain Solutions Limited and Ensure Support Services (India) Limited

II. The Board of Directors of the Company have been regularly apprised of the business and financial performance of the subsidiary companies. The minutes of the Board Meetings, significant transactions and important events of the 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.

DISCLOSURES

Related Party Transactions

Transactions with related parties are disclosed in note 38 to the standalone financial statements for the year ended March 31, 2019.

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 https://redingtongroup.com/india. Omnibus approval of the Audit Committee is obtained for the related party transactions carried out with the Subsidiaries and Associates. Further the details of transactions with the related parties are placed 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, 2019 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 Board's Report.

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

Weblinks

Particulars	Weblinks
Policy on Related Party Transactions	https://redingtongroup.com/wp-content/uploads/2018/12/Policy-on-dealing-with-Related-Party-Transactions.pdf
Policy for determining material subsidiaries	https://redingtongroup.com/wp-content/uploads/2019/04/Policy-on-dealing-with-Material-subsidiaries-final.pdf
Criteria for making payment to Non-Executive Directors	https://redingtongroup.com/india/wp-content/uploads/sites/4/2018/05/PolicyonpaymenttoDirectors.pdf

Declaration that none of the Directors are disqualified

As stipulated by SEBI, a certificate from a qualified Practising Company Secretary has been obtained, mentioning that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by SEBI or Ministry of Corporate Affairs (MCA) or any such statutory authority, and the same is annexed to this report.

Fees for services rendered by Statutory Auditors

The total fees for all services paid by the Company and its Subsidiaries during Financial Year 2018-19, on a consolidated basis, to the Statutory Auditors and all entities in the network firm/network entity of which the statutory Auditors are part of is detailed below

Details of services rendered	Fee paid (in Rs Crores)
Audit Fees	0.43
Tax Audit Fees	0.04
Other Services	0.21
Reimbursement of Expenses	0.04
Total	**0.72**

Sexual Harassment of Women at Workplace

The Company has framed a policy on prevention of sexual harassment of women at workplace to ensure free and fair enquiry process on complaints received from women employees on sexual harassment. As stipulated by SEBI, the status of complaints received on sexual harassment is as below:

a. Number of Complaints filed during FY 2018-19 : Nil
b. Number of Complaints disposed of during the FY 2018-19 : Nil
c. Number of Complaints pending as on end of the FY 2018-19 : Nil

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 at the 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 for 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 https://redingtongroup.com/india/. The Company has enabled an option on its website to allow the present and prospective investors to subscribe to the 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.

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 https://redingtongroup.com/india/ under the investors section.

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

D. Presentations made to institutional investors or to the analysts are available on our website https://redingtongroup.com/india.

E. The Company has designated investors@redington.co.in as an email id for the purpose of registering complaints and raising queries 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' sessions periodically to enable the shareholders to interact with the Management and clarify their queries on the performance of the Company.

GENERAL SHAREHOLDERS' INFORMATION

I. **Annual General Meeting**
Date & Day : July 30, 2019 Tuesday
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 2019-20)
Adoption of results for & considering other items for the I Quarter : August 13, 2019
Adoption of results for & considering other items for the II Quarter : November 5, 2019
Adoption of results for & considering other items for the III Quarter : February 4, 2020
Adoption of results for & considering other items for the IV Quarter : Before May 30, 2020

III. Date of Book Closure : July 24, 2019 to July 30, 2019

IV. Dividend Payment Date : August 27, 2019

V. Listing on Stock Exchanges

Location	Address	Scrip Code
National Stock Exchange of India Limited	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 28460390
Fax No. : +91 44 28460129
E-Mail : 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 Secretarial Compliance Certificate from a qualified Practising Company Secretary, confirming that the Company has delivered share certificates relating to transfer of shares within the specified period. As per the certificates issued by the Practising Company Secretary during FY 2018-19, 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

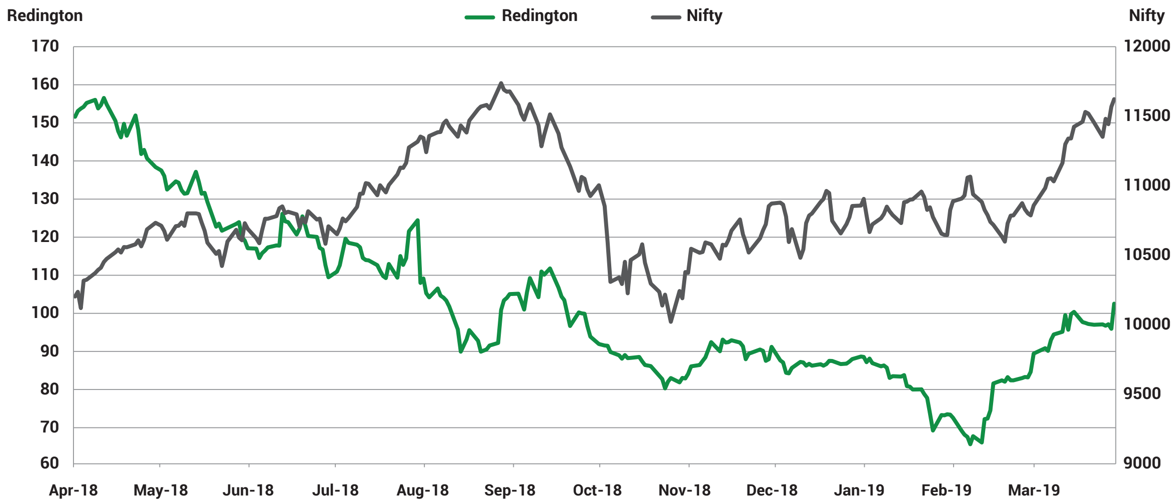
As stipulated by SEBI, a qualified Practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon 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/rematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

X. Market Price Data

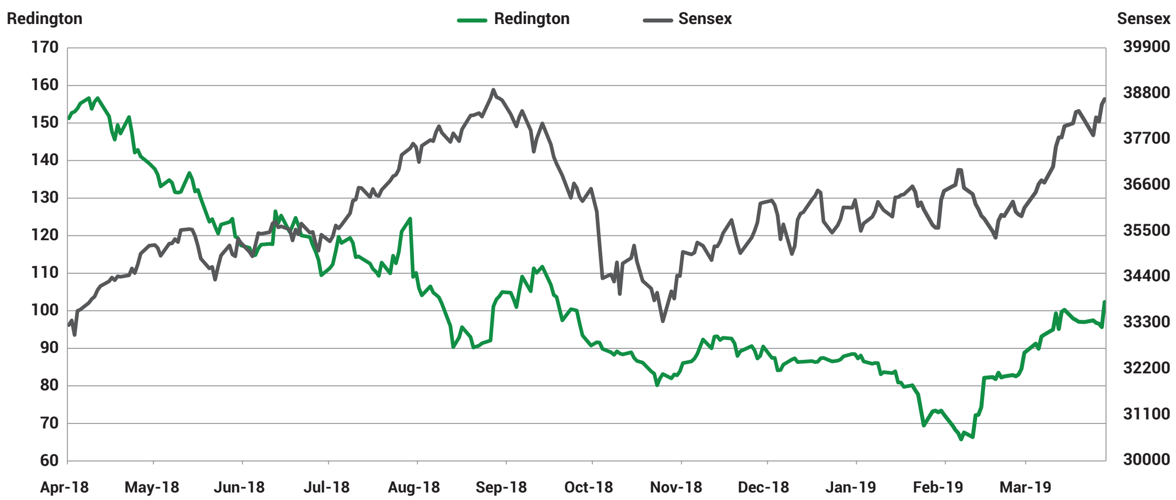
High, Low and Closing price during each month of the Financial Year 2018-19

S.No	Month	NSE			BSE		
		High	Low	Close	High	Low	Close
1	April-2018	158.8	138.00	138.4	159.00	138.75	139.25
2	May-2018	143.2	116.05	119.10	143.10	117.95	119.30
3	June-2018	139.00	102.30	109.45	138.50	103.00	109.45
4	July-2018	128.65	106.60	108.00	128.00	107.00	109.00
5	Aug-2018	111.45	88.65	105.05	112.50	89.00	105.00
6	Sep-2018	115.50	91.05	93.90	115.35	85.15	93.45
7	Oct-2018	93.90	78.35	82.90	94.70	78.45	82.80
8	Nov-2018	96.75	83.00	91.20	96.75	83.25	90.50
9	Dec-2018	91.20	82.70	88.65	91.90	82.85	88.50
10	Jan-2019	89.00	68.40	73.40	89.00	64.75	73.40
11	Feb-2019	91.80	64.00	84.65	91.65	64.00	84.55
12	Mar-2019	105.05	85.05	102.55	105.20	86.50	102.35

Nifty vs Redington



Sensex vs Redington



XI. Distribution of shareholding as on March 31, 2019

Shareholding (in Rs.)	No. of Shareholders	% of Total Shareholders	Amount of Share Capital	% of Total Share Capital
2-5000	25,407	96.95	1,12,25,138	1.44
5001 - 10000	319	1.22	23,52,070	0.30
10001 - 20000	163	0.62	23,09,496	0.30
20001 - 30000	62	0.24	15,18,140	0.19
30001 - 40000	30	0.11	10,38,260	0.13
40001 - 50000	32	0.12	14,44,262	0.19
50001 - 100000	51	0.20	36,31,072	0.47
100001 & Above	142	0.54	75,46,44,192	96.98
Total	**26,206#**	**100.00**	**77,81,62,630**	**100.00**

Shareholders having same PAN are clubbed together

XII. Statement showing shareholding pattern as on March 31, 2019

Category	No. of Holders	No. of Shares	% of Shareholding
Promoter Holding	-	-	-
Total of Promoter Holding	-	-	-
Non Promoter Holding			
Institutions			
Mutual funds / FIs & Banks	14	7,75,52,720	19.93
FPIs & FIIs	137	13,88,65,612	35.69
Non Institutions			
Bodies Corporate	313	79,28,343	2.04
Indian Public	25,050	1,40,01,164	3.60
NRIs/NRI Directors/Foreign Nationals/Investors	612	15,05,58,929	38.70
Others	80	1,74,547	0.04
Total of Non promoter Holding	26,206	38,90,81,315	100.00
Grand Total	**26,206#**	**38,90,81,315**	**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, 2019, 75.76% 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 rate. The Company takes forward contracts to mitigate such risk.

XVII. Locations of Branches

Our Company along with Indian and Overseas subsidiaries has the following sales offices, warehouses and service centres both in India and Overseas

Particulars*	India	Overseas
Sales Offices	45	35
Warehouses	187	36
Own Service Centres	39	21
Partner Service Centres	204	21

* 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 https://redingtongroup.com/india. 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.

XIX. Credit Rating

During the year,

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

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, 2019 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	**Raj Shankar**	**S.V.Krishnan**
Date : May 22, 2019	Managing Director	Chief Financial Officer

PRACTISING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of Redington (India) Limited

I have examined the compliance of conditions of Corporate Governance by Redington (India) Limited (hereinafter referred "the Company"), for the year ended on March 31, 2019 as stipulated in relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations, as applicable.

I further state that such compliance is neither an assurance as to the future viability of the Company nor efficiency or effectiveness with which the management has conducted the affairs of the Company.

For R Bhuvana and Associates
R Bhuvana
Membership No.: 22108
CP No.: 8161

Place : Chennai
Date : May 22, 2019

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(PURSUANT TO REGULATION 34 (3) AND SCHEDULE V PARA C CLAUSE 10(I) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENT) REGULATIONS, 2015)

To

The Members,

Redington (India) Limited
SPL Guindy House, 95, Mount Road,
Chennai - 600032

I have examined the relevant registers, records, forms, returns and disclosures received from the directors received from the Directors of Redington (India) Limited (hereinafter referred to as Company) having CIN L52599TN1961PLC028758 and having registered office at SPL Guindy House, 95, Mount Road, Chennai - 600032, produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C clause 10(i) of the SEBI(Listing Obligations and Disclosure Requirement) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial year ending on 31st March 2019, have been debarred or disqualified from being appointed or continuing as Directors of the Company/Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sl.No.	Name of Director	DIN	Date of appointment in company
1	Prof. J. Ramachandran	00004593	21-11-2006
2	Mr. V S Hariharan	05352003	21-07-2012
3	Mr. Keith William Frederick Bradley	06564581	01-04-2013
4	Mr. B Ramaratnam	07525213	24-05-2016
5	Mr. Tu, Shu-Chyuan	02336015	24-10-2008
6	Mr. Udai Dhawan	03048040	10-01-2017
7	Ms. Chen, Yi-Ju	08031113	26-12-2017
8	Mr. Raj Shankar	00238790	22-09-2005
9	Mr. E H Kasturi Rangan	01814089	24-05-2016

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these, based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For R Bhuvana and Associates
R Bhuvana
Membership No.: 22108
CP No.: 8161

Place : Chennai
Date : May 22, 2019

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ECONOMIC OUTLOOK

The performance of your Company, as with all Business Enterprises, depends significantly on the "socio-politic-economic" eco-system of the markets it operates in. These factors create the environment which give rise to opportunities that can be exploited, and challenges that need to be overcome.

Understanding the macro and micro nuances of the markets helps in not only appreciating the good work done by your Company, but also in gaining insight into the future.

Your Directors are pleased to present the following commentary that has a direct bearing on the Company's performance and operating space.

THE INDIAN ECONOMY

The catapult effect -this is how the Indian Economy appears to be poised at the moment, stretched back, momentarily under tension, but filled with immense latent kinetic energy for a giant leap ahead.

The reason is simple. Key initiatives implemented by policymakers over the last couple of years are likely to provide long-term fundamental strengths and nourishment to the Indian Economy. This includes moves such as the unified tax regime in the form of GST, investments in infrastructural development, commitments to social capital, push towards digitization, mass banking, online services, direct subsidies, and more. The introduction of GST helped India move up 65 places in the World Bank's ranking on ease of doing business. The dividends from these crucial initiatives are expected to start materializing in the years ahead.

The Indian economy started on a strong footing with an 8.2% GDP growth in the first quarter of 2018-19. However, during the course of the year a degree of sluggishness set in, on account of international volatility, weakness of the India currency and lower than expected revenue gains from GST, the slow take-off of Make in India program and relatively weak performances in key sectors like automobiles, banking, etc. The combination of the economic challenges, delayed policy decisions and an uncertain international environment saw the International Monetary Fund (IMF) reduce India's GDP estimates by 20 basis points, pegging it to grow by 7.3% in 2019-20 and 7.5% in 2020-21; matching the predictions by Asian Development Bank and the Reserve Bank of India.

However, even with a GDP growth rate of just above 7 percent, India remains the world's fastest-growing major economy. According to World Bank Data, the size of the Indian economy now rivals the likes of UK and France, and is likely to surpass them by the end of 2019.

Today, the Indian economy needs to address both International and domestic challenges. On the international front, areas of concern include crude prices as well as supply constraints in the face of US sanctions on Iran, one of India's largest suppliers of oil. On the domestic front, India needs to continue its structural reforms and adhere to fiscal discipline; the latter being particularly tough with several assembly elections looming on the horizon.

Despite challenges, the Indian economy is set to cruise ahead in the years to come, thanks to its young and productive workforce, improving infrastructure, resurging sentiments, increasing spends and revival of strong domestic consumption.

THE GLOBAL ECONOMY

The years 2017 and 2018 were akin to period of mini economic boom for the world economy, marked by an uptick in growth in most major economies. Developed nations saw growth rates of 2.4 % and 2.2% respectively during these two years.

This growth momentum appears to have since peaked, and the G7 economies are likely to move closer to their long-range historical growth rates. The European region is under pressure on account of Brexit and global trade tensions. The USA appears to be an exception with its economy continuing to demonstrate exceptionally strong performance on the back of record Company profits and record low unemployment.

However, the rising tensions due to the trade war between the US and China has major consequences not only for the World Economy, but for these two countries as well. Increased tensions and spiral of retaliatory tariffs pose considerable risk to the global trade outlook.

As a result of these challenges across major economies, Global growth is expected to moderate from an estimated 2.8% in 2018 to around 2.3% in 2019.

Middle East and Africa

World Bank expects economic growth in the Middle East and North Africa (MENA) to continue at a modest pace of between 1.5 and 3.5 percent during 2019-2021, with some laggards and a few emerging growth areas. Countries like Iran and Algeria appear on downward trajectory, whereas countries like Egypt and the Gulf Cooperation Council (GCC) should grow on the back of structural reforms and fiscal measures initiated by the respective governments. While Oil prices have recovered from their record low levels, they are likely to stay moderate in the short term and this will act as a check on the growth momentum of the oil exporting countries.

The rising uncertainties in this region may increase investors' perception of risk for the whole region, leading to capital outflows and exchange rate pressure – in the process, precipitating social tensions and threatening macroeconomic stability of the distressed nations.

Turkey

Turkey grew well from 2010 to 2017, averaging a growth rate of 6.6% but the country has been entangled in number of challenges during the past two years. Subdued consumer demand, coupled with depressed business confidence levels, have stifled the growth of its economy. Devaluation of Lira against USD hampered foreign credit and investments, triggering bad debts in the banking sector as several companies found themselves unable to service or refinance debts.

As a result, Turkey's economy is expected to contract in 2019, with a Reuters poll of economists pegging it at (-)0.3% and Moody's at (-)2%. The current crisis is multi-pronged and also includes tensions caused by a face-off with US over an arms deal with Russia. With Government initiatives not yielding concrete results, economists agree that Turkey may be looking at a recession which may last the full year.

INDUSTRY STRUCTURE, DEVELOPMENTS, OPPORTUNITIES AND THREATS

The Indian IT Industry is expected to enter the next phase of growth, with solutions based on Internet of Things (IoT), Cloud Computing, Artificial Intelligence (AI) Machine Learning, and other on-the-edge technologies, expected to become a part of mainstream offerings.

We have seen the initial application of AI in everyday products like Apple Siri, Amazon Alexa and Google Assistant. AI will find real-world application in areas like operations management by using data algorithms, deep learning and neural networks. Blockchain which started essentially as a financial product, now finds application in agriculture, healthcare, governance and logistics.

Data security has assumed critical importance. This will prompt migration of data on cloud-based services and use of AI and ML to prevent hackers and data pirates. Augmented Reality, Virtual Reality, Big Data Analytics, Robotics and 3D Printing will increasingly find practical and daily use in the business world.

In the next couple of years, 5G is expected to bring in a generation change in data transmission speeds. Very high speed networks will unleash new opportunities for devices and applications that will leverage 5G to deliver high productivity gains.

The Union government has identified IT as one of the 12 champion services sectors. The focus is evident in the steps taken, such as the setting up of a national level programme on AI by NITI Aayog.

Gartner's report states that in 2019, while the global IT spending is expected to grow at a slower rate of 3.2% (against 4.5% clocked in 2018), India's IT spend is expected to grow by 6.7%, through increased spends in devices, enterprise software and IT services.

As per Gartner, India's IT spending on devices (PCs, tablets and mobile phones) is set to total $33 billion in 2019, a year-on-year growth of 7.4%. Mobile Phones continue to lead in terms of growth contribution, catalysed by the rapid shift from feature phones to smartphones, with a higher average selling price.

As the second largest smartphone market after China, India's user base has just crossed the 400 Million mark. According to Counterpoint Research, this figure is poised to cross the 700 Million mark by 2020 and reach a billion in five years' time. The research firm TechARC expects the smart phone market to grow by 13% in 2019, with 80% of the sales in the price range of Rs 10,000/- and above.

Digital Transformation and Cloud Services are expected to drive IT spends in India. As per NASSCOM, increasing adoption of Big Data analytics, Artificial Intelligence and Internet of Things (IOT) is expected to push the cloud market in India to grow 3-fold to over USD 7 billion by 2022.

Your Company will continue to nurture its existing business lines while looking for interesting new opportunities. In line with shifting trends in the industry, Cloud services will be an area of high focus for us.

The Digital Printing segment delivered a strong double-digit growth for the Company in both Revenue & Profits. Our engagement in this business will remain strong.

Some of our emerging businesses like Health and Medical Equipment are showing great promise and would scale meaningfully in the coming years.

Acceleration towards Digitization is expected to drive enterprise spends in India. It is estimated that by 2022, the Digitization will add an incremental spend of USD 10.1 billion to the current base.

As per IDC spend tracker, Robotics, 3D Printing, Cognitive/AI, IOT, Next Gen Security, AR / VR, Social and Big Data Analytics are the key areas of IT Enterprise spend. BFSI will continue to invest on digital branches, Manufacturing sector in IOT technologies while the Telecom sector will focus on VOLTE expansion and 5G rollout.

Your Company is positioned well to take advantage of opportunities arising out of technology shifts. It has initiated investments in the required skills, capabilities and infrastructure that will help it scale to the next level of technical preparedness required for accessing these businesses.

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

The total number of employees in the Company stood at 1,573 as on 31st March 2019.

Your company recognizes the importance of building strong Human Capital as the foundation for its growth. At Redington, the company is transforming itself into a "Learning Organization" where all its employees, at all levels, are encouraged to keep upgrading and enhancing their skills through formal and informal training and enablement programs.

Employee friendly HR policies reflect our organization value of 'Trust' and 'work-life balance'. Your Company promotes a culture of meritocracy, with emphasis on rewards commensurate with performance. Employees feedback is encouraged through an AI based chatbot, which connects periodically with employees. Employee engagement activities are conducted to make our workplace a place of fun.

FINANCIAL PERFORMANCE ANALYSIS

The Consolidated Financials of the 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.

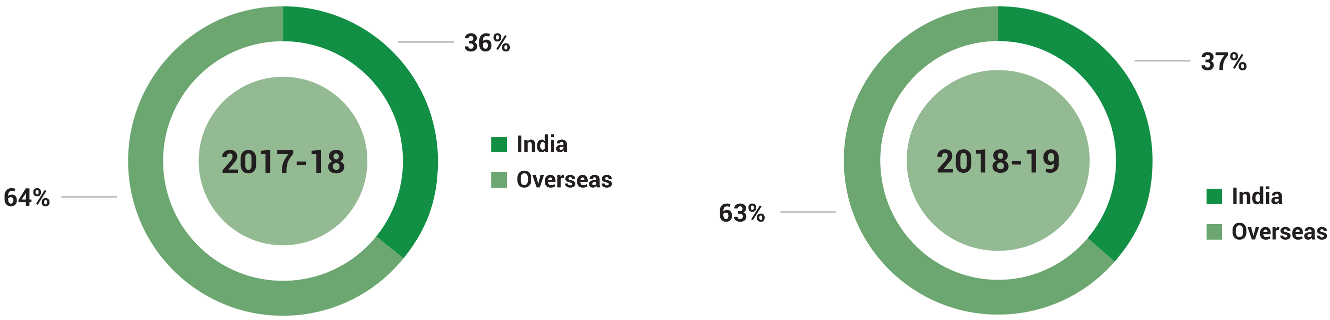
The Consolidated Financial statements are presented in Indian Rupees (₹) which is the functional or presentation currency. Financial information presented in Indian Rupees has been rounded off to the nearest Crores unless otherwise indicated.

SEGMENT WISE PERFORMANCE:

The Company has identified "India" and "Overseas" as operating segments, in accordance with Ind AS 108. The reported operating segments:

- Engage in business activities from which the Group earns revenues and incurs expenses.
- 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.
- Have discrete financial information available.

Revenue by Geography



During the year, India business grew its revenue by 13.4% and overseas business by 11.1%.

ANALYSIS ON THE CONSOLIDATED FINANCIAL PERFORMANCE

Financial year 2018-19 has been a challenging year for the Company due to market environment in the India segment and geo-political, currency related challenges in the overseas segment. There was a significant depreciation of Turkish Lira against USD in the second quarter of the financial year. The Company grew both its revenue and earnings at consolidated level during the financial year 2018-19, despite the above challenges.

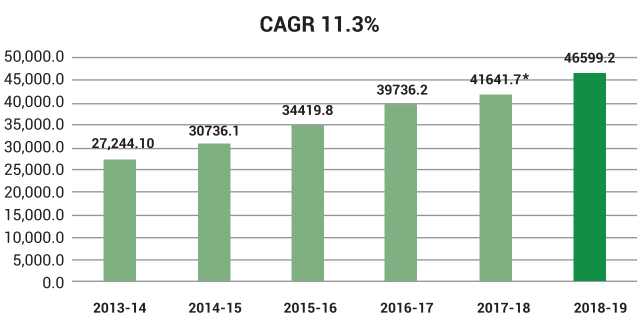
Revenue:

Consolidated revenue grew by 11.9% during the financial year 2018-19. Growth in revenue is higher than the CAGR for the last five years on account of growth across all business verticals such as IT business by 9.3%, mobility business by 12.6% and Services business by 22.3%.

Gross Margin:

Gross margin grew by 14.1% (6.0% of revenue) during the financial year 2018-19 over financial year 2017-18 (5.9% of revenue). Gross margin growth is higher than the revenue growth due to better performance in logistics business in India and also due to both IT and Mobility business vertical in overseas segment.

Revenue (₹ in Crores)



*India revenue adversely impacted due to change in Indirect Tax structure to GST

Overheads:

The consolidated overheads grew by 15.0% in the financial year 2018-19 as compared to the revenue growth of 11.9% . This is majorly due to investments in emerging businesses in India.

Employee Costs:

Employee cost increased by 10.9% during the financial year 2018-19 due to reasons stated below:

- Increment to existing employees.
- Stock compensation expense in respect of the Stock Appreciation Rights granted during the financial year 2017-18.
- Additional manpower recruitment in emerging businesses.

Other Expenses:

Other expenses increased by 17.9% in the financial year 2018-19. This increase is primarily on account of :

- Increase in rent, freight and outsourced resource cost in line with increase in services business revenue.
- Increase in sales promotion expenses due to contractual obligation with concerned vendors.
- Increase in bank charges due to bill discounting in the current financial year (corresponding income is accounted in other income) in India segment and newer vendor financing arrangements in Overseas segment.
- Increase in bad debts provision due to application of "Expected Credit Loss" method of provisioning.

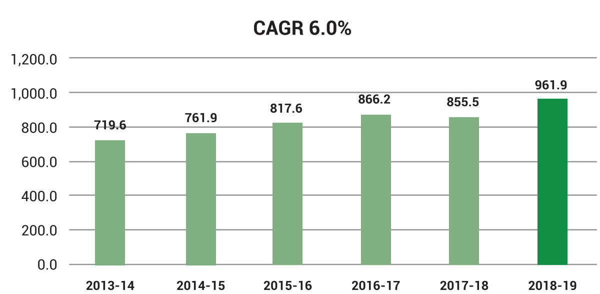
Increase in other expenses is primarily on account of expenses that are directly related to revenue and mitigation of risk. Several cost measures were initiated and the expenses were judiciously spent to improve operational leverage.

EBITDA:

EBITDA grew by 12.4% during the financial year 2018-19 due to higher gross margin in overseas segment. Overseas segment could return higher gross margin despite geo-political tensions in few of the markets and subdued performance in Turkey.

The EBITDA growth for the year has been higher than the five year CAGR.

EBITDA: (₹ in Crores)



Finance Costs:

Finance costs increased by 21.5% during the financial year 2018-19 due to the ensuing reasons:

- Higher working capital utilisation during the year primarily in India segment.
- Increase in interest rates in both the geographies.

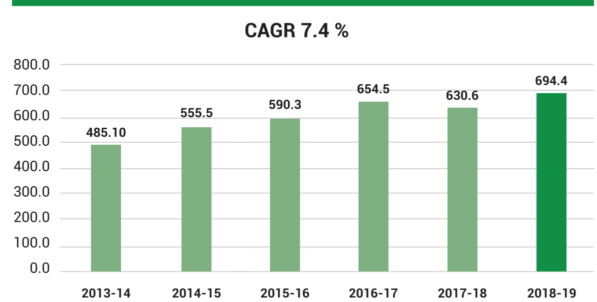
Profit before tax:

PBT de-grew by 1.1% during the financial year 2018-19 due to the one time impairment loss of ₹ 71.1 crores.

The Company's wholly-owned subsidiary, Redington Gulf FZE (RGF) carried out an impairment exercise of its investment in its subsidiary at Turkey, Arena Bilgisayar Sanayi Ve Ticaret A.S (Arena) due to the deteriorating economic situation in Turkey. This resulted in an impairment loss of ₹ 71.1 Crores during the financial year 2018-19.

Without the impairment loss, PBT (with a five year CAGR of 7.4%) would have grown by 10.1% during the financial year 2018-19.

PBT before Impairment loss (₹ in Crores)

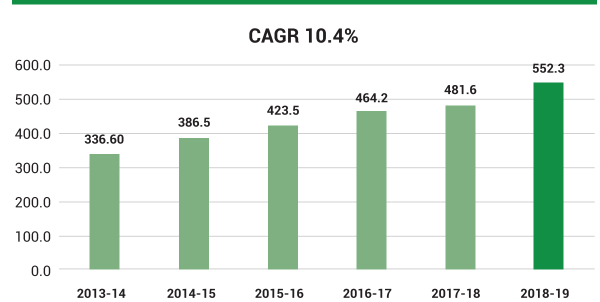


PAT:

PAT grew by 5.4% during the financial year 2018-19 despite impairment loss of ₹ 44.7 Crores. Without the impairment loss, the year on year growth in earnings was 14.7%. It is important to highlight that the growth in earnings of 14.7% is higher than the year on year revenue growth of 11.9%.

The share of profits attributable to non-controlling interests reduced on account of lower profits in Turkey resulting in PAT growth, despite de-growth in PBT.

PAT before Impairment loss (₹ in Crores)



Cash flow:

Operating activity

Cash generated from operation during the financial year 2018-19 was ₹ 1,068.4 Crores. Working capital was managed throughout the year in Overseas Segment and towards later part of the financial year in India segment, resulting in positive cash flow from operation. The Company generated positive cash flow from operation in excess of ₹1,000 Crores for the second time in the past 25 years.

Cashflow from operation/Free cash flow has been an important metric for the Company in its business decisions. We wish to highlight consistent reduction in Debt Equity ratio over the last many years, in spite of consistent dividend declaration and Buy back in the year 2018-19.

Investing activity

Cash from investment activities was negative at ₹ 94.4 Crores during the financial year 2018-19 largely due to capital expenditure on SAP software for India segment.

Financing activity

Cash flow from financing activity was negative at ₹650.7 crores as excess cash flow generated from operation was utilised for the purpose of repayment of loan, buy back of shares and payment of dividend to shareholders.

With the above repayments the Company has further reduced its net-debt to equity ratio at 0.1 times and is favourably poised to capture any upswing in the business opportunity, in the ensuing years.

Key Ratios

Particulars	FY 2018-19	FY 2017-18
Return on Average Capital Employed (%)*	16.5	15.5
Return on Average Equity (%)*	13.7	14.5
Book Value/ Share (in ₹)	99.8	87.7
EPS (in ₹)	12.8	12.0
Interest Cover (Times)	4.4	4.8
Gross Debt : Equity (Times)*	0.3	0.4
Net Debt : Equity (Times)*	0.1	0.2

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

ROCE:

Return on capital employed improved in the Financial year 2018-19 primarily due to better working capital management (which is evident from positive cash flow from operations) in both the segments. In India business though the reduction happened towards the end of the financial year, our efforts are to maintain this consistently throughout the year.

The Company's endeavour is to maintain good control over working capital to ensure better returns in the ensuing financial years.

ROE (Return on Networth):

Return on Average Equity has marginally dropped, due to lesser earnings growth in the current year. Lower growth in earnings is majorly due to one-time impairment loss during the year. Without considering the impairment loss, ROE would have improved for the year.

Book Value per share:

Book value increased by ₹12.1 due to higher EPS of ₹12.8 per share, despite dividend payment and buy back of shares in the financial year 2018-19.

EPS:

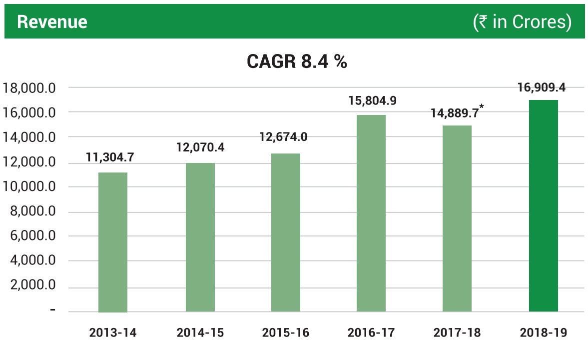
EPS increased in financial year 2018-19 due to profit growth and reduction in the weighted average number of equity shares on account of buy back.

ANALYSIS OF STANDALONE FINANCIAL PERFORMANCE

Revenue:

Revenue grew by 13.6% during the financial year 2018-19 with a CAGR of 8.4% for 5 year. All the three business verticals grew during the year, viz. IT Business grew by 13%, Mobility business grew by 11% and Service business grew by 42%.

Other income grew by 28% during the financial year 2018-19 on account of interest income received on over dues collection and interest recovery from channel partners on letter of credits.



*De-grew due to reduction in selling price on account of introduction of GST.

Gross Margin:

Gross margin reduced from 5.4% to 5.0% during the current financial year 2018-19. The drop in Gross margin is primarily in the Enterprises business on account of:

- Introduction of higher rate of basic customs duty on certain networking products happened during the year which could not be fully passed on to the customers immediately.
- Tough competition resulting in price discounts.
- Increased inventory provision due to delay in execution of certain large projects.

Expenses

Employee benefit expense:

Employee cost increased by 5.2% during the financial year 2018-19. Increase in compensation cost is on account of provisional expenses as stated below:

- Stock compensation expense in respect of the Stock Appreciation Rights granted during the financial year 2017-18 contributed to an increase of 4.4%.
- Provision based on actuarial valuation for employee benefits contributed to an increase of 1.5%.

Considering the challenging business environment during the year the Company adopted strict caution on its head count in the Core business, while continuing to invest on new-age business verticals.

Other expenses:

Other expenses increased by 11.8% during the financial year 2018-19, on account of few specific and committed expenses as stated below:

- Sales promotion increased by 4.3%. Spending on promotional activities is an agreed commitment with certain brands.
- Bank Charges increased by 6.0%, primarily on account of increased bill discounting. There is a corresponding interest collection from customers which is part of Other Income.
- Insurance expenses increased by 1.9%, due to increased credit insurance coverage and higher premium rates.
- Bad Debts provision increased by 5.6% due to application of "Expected Credit Loss" method of provisioning.

Several cost measures were initiated and the expenses were judiciously spent to improve operational leverage, which aided restricting the overall increase in cost to 11.8% during the financial year 2018-19.

EBITDA:

EBITDA de-grew by 6.3% during the financial year 2018-19. De-growth in EBITDA is primarily due to reduction in gross margin.

Finance Costs:

Finance costs increased by 23%, due to:

- Increase in interest rates contributed to 13% increase in interest cost.
- Increases in working capital utilisation in line with increase in sales contributed to 10% increase in interest cost.

Interest cover ratio decreased to 2.9 times during the financial year 2018-19 as against 3.7 times for the previous financial year due to increase in interest cost and lower profits.

Profit before Tax (PBT):

Profit before tax de-grew by 16.8% during the financial year 2018-19. De-growth in PBT is due to reduction in gross margin and increase in finance cost.

Profit after Tax (PAT):

Profit after tax de-grew by 17.3% during the financial year 2018-19. De-growth in PAT is due to reduction in gross margin and increase in finance cost.

During the course of the year PAT growth has improved such that YoY growth in Q4 was 10%.

Cash Flow Statement:

Cash generated from operation during the financial year 2018-19 was ₹ 323.2 crores despite revenue growth of 13.6%. Working capital was well controlled and reduced more towards the later part of the year which resulted in a positive cash flow from operation.

Cash flow from investment activity was negative at ₹ 28.1 Crores for the financial year 2018-19, due to Investment in subsidiaries and new ERP system (SAP).

Funds Employed:

Shareholder funds decreased from ₹ 1,689.5 Crores to ₹ 1,603.9 Crores as at March 31, 2019, due to buyback of shares amounting to ₹ 141.3 Crores (including expenses) and dividend paid for the financial year 2017-18.

Investment in working capital due to increase in revenue increased debt from ₹ 766.3 Crores to ₹ 830.6 Crores as at March 31, 2019.

Debt equity ratio as on March 31, 2019 was 0.44 times as compared to 0.38 times as on March 31, 2018. The increase in debt equity ratio is on account of higher utilisation of working capital on the back of increase in revenue and utilisation of free cash flow for buy back of shares.

The Company is favourably poised to capture any upswing in the business opportunity in the ensuing years, without any need for additional equity capital.

ROE (Return on Networth):

Return on Average Equity has dropped from 17.5% to 14.6%, due to decrease in earnings in the financial year 2018-19.

Dividend:

With comfortable debt levels, the Board of Directors have recommended 165 % dividend on the face value of shares for the year 2018-19, equivalent to ₹ 3.30/- per share.

Book value and Earnings per Share:

The book value decreased from ₹ 42.22/- per share to ₹ 41.22/- per share, mainly on account of Buyback of 11,120,000 shares (representing 2.78 % of the total paid-up equity share capital of the Company as on March 31, 2018) of the face value of ₹ 2 each at a price of ₹ 125 per equity share for an aggregate amount of ₹ 139 Crores from the members of the Company.

The earnings per share decreased by 16.5% for the year ended March 31, 2019 to ₹ 3.84 per share as compared to the previous financial year. The reduction is on account of reduction in PAT as stated above.

Standalone Financial Statements

INDEPENDENT AUDITORS' REPORT

To the Members of Redington (India) Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Redington (India) Limited ("the Company"), which comprise the standalone balance sheet as at March 31, 2019, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information in which are included the financial statements / financial information ("the Returns") for the year ended on that date audited by the branch auditor of the Company's branch at Singapore.

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 the branch auditors, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("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, 2019, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter	How the matter was addressed in our audit
Revenue recognition under new accounting standard *Ind AS 115: Revenue from Contracts with Customers*	
The Company has adopted Ind AS 115 - *Revenue from Contracts with Customers* (Ind AS 115) which is the new revenue accounting standard. Ind AS 115 is effective for the year beginning April 1, 2018 and establishes a comprehensive framework for determining and identifying whether a contract with the customer exists, how much and when revenue is recognized. This involves certain key judgments relating to identification of contracts with customers, identification of distinct performance obligations, determination of transaction price, appropriateness of the basis used to measure revenue recognized over a period or at a point in time. Revenue is recognized 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. In view of the above, the application and transition to this accounting standard is an area of focus in the audit. See notes 3(h) and 45 to the standalone financial statements.	In view of the significance of the matter, we applied the following key audit procedures: • Testing the design and operating effectiveness of controls relating to implementation of the new revenue accounting standard. • Verifying management's assessment of contractual arrangements including those relating to income from supplier rebates, terms of contract and commercial substance thereof in order to assess the adherence to revised accounting policies in light of the requirements of Ind AS 115. • Selecting samples of contractual arrangements, testing management's assessment of the applicability of the standard to such arrangements, identification of distinct performance obligations and determination of transaction prices. • Additionally, we also evaluated the adequacy of disclosures made in the financial statements.

The key audit matter	How the matter was addressed in our audit
Taxation related matters	
Determination of tax provisions and assessment of contingent liabilities involves judgment with respect to various tax positions on deductibility of transactions, tax incentives/ exemptions, interpretation of laws and regulations etc. Judgement is also required in assessing the range of possible outcomes for some of these matters. Management makes an assessment to determine the outcome of these matters and decides to make an accrual or consider it to be a possible contingent liability in accordance with applicable accounting standards. Accordingly, taxation and contingent liability related matters are areas of focus in the audit. See notes 3(m) and 34 to the standalone financial statements.	In view of the significance of the matter, we applied the following key audit procedures: • Testing the design and operating effectiveness of controls relating to taxation and contingencies. • We evaluated management's judgements in respect of estimates of provisions, exposures and contingencies. • In understanding and evaluating management's judgements, we deployed our tax specialists, considered third party advice received by the Company, wherever applicable, the status of recent and current tax assessments and enquiries, the outcome of previous claims, judgmental positions taken in tax returns and developments in the tax environment. • Additionally, we also evaluated the adequacy of disclosures on provisions and contingencies made in the financial statements.

The key audit matter	How the matter was addressed in our audit
Trade receivables and other financial assets	
The Company has significant trade receivables and other financial assets at year end. Given the size of the balances and the risk that some of the trade receivables and other financial assets may not be recoverable, judgement is required to evaluate whether any allowance should be made to reflect the risk. The Company recognizes loss allowance for trade receivables and other financial assets at the expected credit loss ('ECL'). Assessment of the recoverability of trade receivables and other financial assets is inherently subjective and requires significant management judgment (which include repayment history and financial position of entities from whom these balances are recoverable, terms of underlying arrangements, overdue balances, market conditions etc.). See note 3(t) to the standalone financial statements.	In view of the significance of the matter, we applied the following key audit procedures: • Obtaining an understanding of and assessing the design, implementation and operating effectiveness of the Company's key internal controls over the process of estimating the loss allowance for trade receivables and other financial assets including adherence to the requirements of the relevant accounting standards • Assessing the Company's methodology for provisioning towards trade receivables and other financial assets (which includes dues from related parties) • Understanding the key inputs used in the provisioning model by the Company such as repayment history, terms of underlying arrangements, overdue balances, market conditions, type of collateral and credit insurance coverage, if any. • Obtaining an understanding and assessing the reasonableness of the key outputs calculated by the model, as well as key judgments and assumptions used by the management for the implementation of the model • Assessing the disclosures made against the relevant accounting standards.

The key audit matter	How the matter was addressed in our audit
Supplier rebates The Company is entitled to price support from the suppliers in the form of rebates (also referred to as backend income). Given the varied types of rebate schemes, determination of whether the Company is entitled to such rebates and if so, the quantum of rebates involves estimation and judgements to be applied by the management. In view of the above, this is a significant area of focus in the audit. See note 2(d)(v) to the standalone financial statements.	In view of the significance of the matter, the following audit procedures were performed by us: • Obtaining an understanding of and assessing the design, implementation and operating effectiveness of the Company's key internal controls over supplier rebates • Selecting samples and verifying contractual arrangements and testing the underlying documents such as credit notes received to ensure the recording is in the correct period • Verifying whether there are any changes in the policy and business process relating to supplier rebates.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone 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) specified 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 of 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are 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.

Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the branch of the Company. We are responsible for the direction, supervision and performance of the audit of the standalone financial statements of the Company of which we are the independent auditors. For the branch included in the standalone financial statements, which have been audited by other auditors, such branch auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in the section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the branch auditors referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We did not audit the standalone financial statements of a foreign branch included in the standalone financial statements of the Company whose financial statements reflect total assets of INR 141.28 crores and net assets of INR 66.00 crores as at March 31, 2019 and the total revenue of INR 256.90 crores and net cash inflows of INR 2.31 crores for the year ended on that date, as considered in the standalone financial statements. This branch has been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of branch, is based solely on the report of such branch auditors.

The branch's financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in its country and which has been audited by branch auditors under generally accepted auditing standards applicable in its country. The Company's management has converted the financial statements of such branch located outside India from accounting principles generally accepted in its country 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 branch located outside India is based on the report of branch auditors and the conversion adjustments prepared by the management of the Company and audited by us.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

    (A) As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the branch auditors on separate financial statements of the branch as were audited by branch auditors, as noted in the 'Other Matters' paragraph, 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 standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows 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 financial statements comply with the Ind AS specified under section 133 of the Act.

f) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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".

(B) With respect to the other matters to be included in the Auditors' 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 as at March 31, 2019 on its financial position in its standalone financial statements - Refer Note 34 to the standalone 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 standalone 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 in these financial statements since they do not pertain to the financial year ended March 31, 2019.

(C) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

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

S Sethuraman
Partner
Membership No. 203491

Place: Chennai
Date: May 22, 2019

Annexure A to the Independent Auditors' 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.

(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. Accordingly, paragraph 3 (iii) of the Order is not applicable.

(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, 2019.

(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, duty of customs 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, sales tax, service tax, value added tax 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, duty of customs and any other material statutory dues were in arrears as at March 31, 2019 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 are as set out in Appendix I. As explained to us, the Company did not have any dues on account of duty of excise and service tax.

(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 explanations given to us, no material fraud by the Company or 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, 2019 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
Firm's Registration No. - 101248W/W-100022

S Sethuraman
Partner
Membership No. 203491
Place: Chennai
Date: May 22, 2019

Annexure B to the Independent Auditors' report on the standalone financial statements of Redington (India) Limited for the year ended March 31, 2019

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

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

Opinion

We have audited the internal financial controls with reference to stand alone financial statements of Redington (India) Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at March 31, 2019, based on the internal financial controls with reference to standalone 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 Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. 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 standalone financial statements were established and maintained and whether 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of such internal financial controls, 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 standalone 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 with reference to standalone financial statements.

Meaning of Internal Financial controls with Reference to Standalone Financial Statements

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

Inherent Limitations of Internal Financial controls with Reference to standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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

S Sethuraman
Partner
Membership No. 203491
Place: Chennai
Date: May 22, 2019

Appendix I to the Independent Auditors' 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, 2012-13, 2013-14 and 2014-15	6.21	5.76
		Additional Commissioner (Appeals), Kolkata	2013-14 and 2015-16	0.41	0.37
		Deputy Commissioner (Appeals), Mumbai	2012-13 and 2013-14	2.66	1.14

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	West Bengal Value Added Tax Act, 2003	West Bengal Taxation Tribunal, Kolkata	2002-03	0.37	-
		Additional Commissioner (Appeals), Kolkata	2015-16	0.18	0.16
	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	-
	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
	Kerala Value Added Tax Act, 2003	Deputy Commissioner (Appeals), Ernakulum	2005-06, 2010-11, 2012-13, 2013-14 and 2015-16	2.89	2.56
	Rajasthan Value Added Tax Act, 2003	Tax Board, Jaipur	2009-10, 2010-11, 2011-12, 2012-13, 2013-14, 2014-15 and 2015-16	3.88	-
	Bihar Value Added Tax Act, 2005	Joint Commissioner (Appeals), Patna	2009-10, 2010-11, 2011-12 and 2012-13	0.65	0.07
	Jharkhand Value Added Tax Act, 2005	Deputy Commissioner (Appeals), Ranchi	2009-10, 2011-12, 2012-13 and 2014-15	0.38	0.38
	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, 2010-11, 2011-12 and 2012-13	1.23	0.85
		Joint Commissioner (Appeals), Bangalore	2014-15	0.72	0.50
	Maharashtra Value Added Tax Act, 2002	Deputy Commissioner (Appeals), Mumbai	2011-12, 2012-13 and 2013-14	5.53	3.95
		Joint Commissioner (Appeals), Mumbai	2012-13, 2013-14 and 2014-15	24.68	23.65
	Orissa Value Added Tax Act, 2004	Additional Commissioner (Appeals), Cuttack	2004-05	0.01	0.01
		Joint Commissioner (Appeals), Cuttack	2015-16	0.14	0.13
	Chhattisgarh Value Added Tax Act, 2005	Additional Commissioner, Raipur	2011-12, 2012-13 and 2013-14	0.38	0.19
	Gujarat Value Added Tax Act, 2003	Joint Commissioner (Appeals), Ahmedabad	2014-15	0.99	0.99
Income tax	Income-tax Act, 1961	CIT Appeals	2016-17	0.60	-
		High court of Madras	2005-06 and 2006-07	0.95	-
		Income-tax Appellate Tribunal	2005-06, 2009-10, 2012-13, 2013-14, and 2014-15	16.39	-

*Net of amount paid under protest.

STANDALONE BALANCE SHEET AS AT MARCH 31, 2019

All amounts in crores of Indian Rupees (₹) except share data and as otherwise stated

Particulars	Note	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non-current assets			
Property, Plant and Equipment	4	83.84	90.81
Capital work-in-progress		2.78	2.78
Intangible assets	5	0.97	0.94
Intangible assets under development	6	30.27	12.06
Financial assets			
Investments in subsidiaries and associate	7	638.45	605.06
Other financial assets	8	2.08	3.80
Deferred tax assets	9	22.87	15.27
Income tax assets (net)	10	101.58	53.80
Other non-current assets	11	84.27	41.08
Total non-current assets		**967.11**	**825.60**
Current assets			
Inventories	12	1,532.97	1,089.48
Financial assets			
Trade receivables	13	2,381.26	2,218.15
Cash and cash equivalents	14	121.14	119.94
Other bank balances	15	0.15	0.15
Loans	16	32.00	34.90
Other financial assets	17	30.49	40.19
Other current assets	18	141.10	120.53
Total Current assets		**4,239.11**	**3,623.34**
Assets held for sale		-	0.03
Total Assets		**5,206.22**	**4,448.97**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	19	77.82	80.03
Other equity	20	1,526.12	1,609.43
Total equity		**1,603.94**	**1,689.46**
LIABILITIES			
Non-current liabilities			
Financial Liabilities:			
Borrowings		0.94	-
Provisions	21	17.83	13.49
Total non-current liabilities		**18.77**	**13.49**

STANDALONE BALANCE SHEET AS AT MARCH 31, 2019

All amounts in crores of Indian Rupees (₹) except share data and as otherwise stated

Particulars	Note	As at March 31, 2019	As at March 31, 2018
Current liabilities			
Financial Liabilities:			
Borrowings	22	829.61	766.27
Trade payables	23		
(A) Dues of micro enterprises and small enterprises		92.21	39.41
(B) Dues of creditors other than micro enterprises and small enterprises		2,294.54	1,620.25
Other financial liabilities	24	173.07	187.42
Other current liabilities	25	191.80	130.00
Provisions	26	2.28	2.67
Total Current liabilities		**3,583.51**	**2,746.02**
Total Equity and Liabilities		**5,206.22**	**4,448.97**
See accompanying notes forming part of the standalone 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 22, 2019

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

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

All amounts in crores of Indian Rupees (₹) except share data and as otherwise stated

Particulars	Note No.	Year Ended March 31, 2019	Year Ended March 31, 2018
Revenue from operations	27	16,851.21	14,844.21
Other income	28	58.17	45.53
Total Income		**16,909.38**	**14,889.74**
Expenses			
Purchases of traded goods		16,506.04	13,586.13
Changes in inventories of traded goods		(443.49)	476.44
Employee benefits expense	29	138.79	131.95
Finance costs	30	121.59	98.86
Depreciation and amortisation expense	31	12.30	13.53
Other expenses	32	348.37	311.50
Total expenses		**16,683.60**	**14,618.41**
Profit before tax		**225.78**	**271.33**
Tax expense:			
Current tax		80.20	91.62
Deferred tax		(6.56)	(4.21)
Total tax expenses		**73.64**	**87.41**
Profit for the year (A)		**152.14**	**183.92**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit liability		(2.94)	(8.14)
Income tax relating to the above		1.04	2.84
Net other comprehensive income that will not be reclassified to profit or loss		**(1.90)**	**(5.30)**
Items that will be reclassified to profit or loss			
Exchange differences in translating financial statements of foreign operation		0.58	0.07
Income tax relating to the above		-	-
Net other comprehensive income that will be reclassified to profit or loss		0.58	0.07
Total other comprehensive income (B)		**(1.32)**	**(5.23)**
Total comprehensive income for the year (A+B)		**150.82**	**178.69**
Earnings per equity share: (Face value ₹ 2 each)			
Basic (in ₹)	33	3.84	4.60
Diluted (in ₹)		3.84	4.60
See accompanying notes forming part of the standalone 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 22, 2019

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

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Whole-Time Director
(DIN-01814089)

S V Krishnan
Chief Financial Officer

M Muthukumarasamy
Company Secretary

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2019

All amounts in crores of Indian Rupees (₹) except share data and as otherwise stated

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
A. Cash flow from operating activities:		
Profit for the year after tax	**152.14**	**183.92**
Adjustments for:		
- Income tax expense recognised in profit and loss	73.64	87.41
- Depreciation and amortisation expense	12.30	13.53
- Finance costs	121.59	98.86
- Interest income	(4.34)	(3.28)
- Stock compensation expenses	8.26	2.45
- Allowance for doubtful trade receivables	37.28	19.84
- Dividend from subsidiaries	(18.54)	(21.62)
- Income from short term investments	(1.97)	(1.07)
- Unrealised exchange loss/(gain) (net)	0.98	(5.34)
- Gain on sale of Property, Plant and Equipment (net)	(3.95)	(2.68)
Operating Profit before working capital changes	**377.39**	**372.02**
Increase in trade receivables	(197.84)	(288.23)
(Increase)/Decrease in inventories	(443.49)	476.44
Increase in other assets	(51.71)	(95.23)
Increase/(Decrease) in trade payables	745.19	(335.05)
Increase/(Decrease) in Provisions	1.01	(1.75)
Increase in other liabilities	20.62	104.60
Cash generated from operations	**451.17**	**232.80**
Income taxes paid (net)	(127.98)	(91.18)
Net cash generated from operating activities	**323.19**	**141.62**
B. Cash flow from investing activities:		
Payments for Property, Plant and Equipment	(5.02)	(6.95)
Payments for intangible assets	(31.21)	(0.95)
Proceeds from sale of Property, Plant and Equipment	5.17	22.25
Interest received	4.55	9.01
Dividend received from subsidiaries	18.54	21.62
Income received from short term investments	1.97	1.07
Loans and advances given to subsidiaries & associate	(68.40)	(96.30)
Loans and advances settled by subsidiaries & associate	71.30	105.30
Changes in bank deposits not treated as cash and cash equivalents	-	5.50
Investments in subsidiaries	(25.00)	-
Net cash (used in)/generated from investing activities	**(28.10)**	**60.55**

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2019

All amounts in crores of Indian Rupees (₹) except share data and as otherwise stated

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
C. Cash flow from financing activities:		
Proceeds from short term borrowings (net)	768.76	668.32
Repayment of short term borrowings	(692.90)	(558.04)
Proceeds from long term borrowings (net)	2.66	-
Repayment of long term borrowings	(1.06)	-
Buy-back Expenses	(2.29)	-
Buy-back of equity shares	(139.00)	-
Proceeds from allotment of shares, including premium, under ESOP, 2008	0.24	2.56
Dividends paid (including dividend tax)	(111.96)	(106.28)
Finance costs paid	(120.57)	(96.09)
Net cash used in financing activities	**(296.12)**	**(89.53)**
Net (decrease)/increase in cash and cash equivalents	**(1.03)**	**112.64**
Cash and cash equivalents at the beginning of the year	**117.82**	**5.18**
Cash and cash equivalents at the end of the year	**116.79**	**117.82**

See accompanying notes forming part of the standalone 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 22, 2019

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

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

All amounts in crores of Indian Rupees (₹) except share data and as otherwise stated

(₹ in Crores)

Particulars	Share capital	Other Equity							Total equity
		Securities premium	General reserve	Capital redemption reserve	Stock compensation reserve	Foreign currency translation reserve	Re-measurement of defined benefit liability	Surplus in the Statement of profit and loss	
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 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**
Balance at April 1, 2018	80.03	357.30	90.30	-	4.79	(0.03)	(5.91)	1,162.98	1,689.46
Profit for the year	-	-	-	-	-	-	-	152.14	152.14
Other comprehensive income for the year (net of taxes)	-	-	-	-	-	0.58	(1.90)	-	(1.32)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**0.58**	**(1.90)**	**152.14**	**150.82**
Creation of Capital redemption reserve pursuant to buy-back of equity shares	-	-	(2.22)	2.22	-	-	-	-	-
Allotment of shares under Employee Stock Option Plan, 2008	0.01	0.23	-	-	-	-	-	-	0.24
Buy-back of equity shares	(2.22)	(136.78)	-	-		-	-	(2.29)	(141.29)
Stock Compensation expense	-	-	-	-	16.67	-	-	-	16.67
Final dividend paid	-	-	-	-	-	-	-	(96.04)	(96.04)
Dividend distribution tax on final dividend	-	-	-	-	-	-	-	(19.73)	(19.73)
Dividend distribution tax credit on account of dividend received from subsidiaries	-	-	-	-	-	-	-	3.81	3.81
Balance at March 31, 2019	**77.82**	**220.75**	**88.08**	**2.22**	**21.46**	**0.55**	**(7.81)**	**1,200.87**	**1,603.94**

See accompanying notes forming part of the standalone financial statements

NOTES to the standalone financial statements for the year ended March 31, 2019

1. Company overview

Redington (India) Limited ("the Company"), is a public limited Company domiciled in India, incorporated under the provisions of the Companies Act, 1956 and has its registered office at SPL Guindy House, 95, Mount Road, Guindy, Chennai - 600032, Tamil Nadu, India. 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 services. The Company has an operating branch in Singapore. The Company, its subsidiaries and associate operates 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, 2015, 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 the currency of the primary economic environment in which the Company operates (the functional currency). The functional currency of the Company's branch in Singapore is United States Dollar (USD). 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 contracts)	Fair value
Stock Appreciation Rights (SAR)	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), the reported income and the 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 on an ongoing basis.

Key sources of judgement and estimation uncertainties 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, are in respect of useful lives of property, plant and equipment, income taxes, stock appreciation rights, inventory obsolescence, original equipment manufacturer ("OEM") supplier programs and expected credit losses 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 technical evaluation made by the Company 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.

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 costs in respect of stock appreciation rights (SAR) granted during the previous year have been determined using the Black Scholes option valuation model. The said model requires the Company to input certain assumptions / 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.

iv) Inventory obsolescence

Inventories are measured at the lower of cost and the net realizable value (net of price protection rebates). Adjustments to reduce the cost of inventory to its realisable value, if required, are made at the product level. Factors influencing these adjustments include changes in demand, rapid technological changes, product life cycle, product pricing, physical deterioration and quality issues. Revisions to these adjustments would be required if these factors differ from the estimates.

v) **Original Equipment Manufacturer ("OEM") supplier programs**

OEM suppliers formulate programs for inventory volume promotion programs and price protection rebates. Inventory volume promotion programs and price protection rebates are recorded as a reduction in the cost of purchase of traded goods. The rebates are accrued based on the terms of the program and sales of qualifying products. Some of these programs may extend over one or more quarterly reporting periods. The Company tracks vendor promotional programs for volume discounts on a program-by-program basis. Once the program is implemented, the benefit of the program based on the actual volume is recorded as a receivable from vendors with a corresponding reduction in the cost of purchase of traded goods. Actual rebates may vary based on volume or other sales achievement levels, which could result in an increase or reduction in the estimated amounts previously accrued.

vi) **Expected Credit Losses ("ECL")**

The Company creates provision in respect of changes in expected credit losses at each reporting period to reflect changes in credit risk since initial recognition of the financial assets

The Company has adopted a model as permitted under Ind AS 109 for measuring lifetime expected credit loss allowance for trade receivables and other financial assets. Expected Credit Losses is determined as the probability-weighted estimate of credit losses based on the historical credit loss experience and adjusted for forward looking information.

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's which the Company has not applied in these financial statements as they are effective for annual periods beginning on or after April 1, 2019. The Company plans to apply these standards from their respective applicable dates.

Ind AS 116 – Leases

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases.

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The Company is in the process of assessing the impact of Ind AS 116 on its standalone financial statements.

Ind AS 12 Income taxes

Income-tax consequence of distribution of profits (i.e. dividends), including payments on financial instruments classified as equity, should be recognised when a liability to pay dividend is recognised.

The income tax consequence should be recognised in statement of profit and loss, other comprehensive income (OCI) or equity according to where the past transactions or events that generated distributable profits were originally recognised.

Appendix C has been added to Ind AS 12 which provides that the accounting for uncertainties on income tax treatments that are yet to be accepted by tax authorities and to reflect it in the measurement of current and deferred taxes

The Company is in the process of assessing the impact of the above amemtments on its standalone financial statements.

Ind AS 109 – Prepayment Features with Negative Compensation

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The Company doesn't expect to have any impact of the amendment on its standalone financial statements.

Ind AS 19 – Plan Amendment, Curtailment or Settlement

The amendments provide that if a defined benefit plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the remeasurement. In addition,

NOTES to the standalone financial statements for the year ended March 31, 2019

amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Company doesn't expect to have any impact of the amendment on its standalone financial statements.

Ind AS 23 – Borrowing Costs

The amendments provide that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Company doesn't expect to have any impact of the amendment on its standalone financial statements.

Ind AS 28 – Long-term Interests in Associates and Joint Ventures

The amendments provide that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. The Company doesn't expect to have any impact of the amendment on its standalone financial statements.

Ind AS 103 – Business Combinations and Ind AS 111 – Joint Arrangements

The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business. The Company will apply the pronouncement if and when it obtains control / joint control of a business that is a joint operation.

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 less its estimated residual value.

ii) 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 and is recognised in statement of profit and loss. Freehold land is not depreciated.

Class of asset	Years
Buildings	10 - 20
Plant and machinery	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 over the shorter of the useful life or the lease term.

vi) The depreciation methods, estimated useful life and 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) The intangible assets, that are not yet ready for their intended use are carried at cost and are reflected under intangible assets under development. Direct cost associated in developing the intangible asset are capitalized when the following criteria are met

a. it is technically feasible to complete the intangible asset so that it will be available for use,

b. management intends to complete the intangible asset and use,

c. there is ability to use the intangible asset,

d. there is an identifiable asset that will generate expected future economic benefits and

e. there is an ability to measure reliably the expenditure attributable to the intangible asset during its development.

iii) Intangible assets are amortized on straight line basis over the 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

iv) The estimated useful life of the intangible assets is reviewed at the end of each financial year and the amortization period is revised to reflect the changed pattern, if any.

v) An intangible asset is de-recognized on disposal or when no future economic benefits are expected from its use. 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.

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 (CGU) 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 that are largely independent of the cash inflows from other assets or CGU. 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 is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated to reduce the carrying amounts of the other assets of the CGU on a pro rata basis.

In respect of property, plant and equipment for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

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 unless 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 accumulated impairment loss, if any.

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 of 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

NOTES to the standalone financial statements for the year ended March 31, 2019

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

The Company has adopted Ind AS 115, Revenue from Contracts with Customers (which replaces earlier revenue recognition standards) with effect from April 1, 2018. The core principle of this standard is that the Company shall recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Under Ind AS 115, the Company recognizes 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 has applied Ind AS 115 retrospectively to each of the prior reporting periods. Accordingly, the information presented for the year ended March 31, 2018 has been restated.

Revenue from sale of products or services is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration expected to be received in exchange for those products or services.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

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 on an undiscounted basis and are recognized as expense as the related services is provided. Short-term employee benefit liabilities are recognised for the amount expected to be paid, if the Company has a present legal obligation to pay, as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

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. Re-measurement of defined benefit obligation, which comprises of actuarial gains and losses are recognized in other comprehensive income in the period in which they occur. The Company determines the net interest expenses on the net defined benefit obligation, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. 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. Warranties

The Original Equipment Manufacturer ("OEM") warrants the products distributed by the Company and these are assurance warranties provided in the normal course of business relating to product performance. The Company generally, does not independently warrant the products it distributes and management does not consider that any provision for warranties or claims is required.

l. Employee share based payments

Equity-settled share-based payments are measured at fair value on the grant date and are recognised as on employee benefits expense, 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.

Stock appreciation rights issued to the employees of the subsidiaries are included as cost of investment.

m. 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 of 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 current tax for the year is determined in accordance with the applicable 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 the 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 differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that effects 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.

v) Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled

vi) Deferred tax assets and liabilities are offset if there is legally enforceable right to offset current tax as liability and assets and they relate to income taxes levied by the same taxation authority.

Provisions and contingent liabilities

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.

NOTES to the standalone financial statements for the year ended March 31, 2019

Contingent liability is disclosed for all:

i) possible obligations 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.

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 value.

Other bank balances comprises amounts which are restricted in nature, held as margin money against guarantee and balances held in unpaid dividend bank accounts.

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 items of income or expenses associated 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 its 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 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 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. 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.

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 as 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 statement of 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 on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in statement of 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 statement of 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.

If 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 discharged 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 statement of profit and loss.

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 allowances for expected credit loss ("ECL") on financial assets 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 expected credit losses 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:

Expected credit losses are a probability-weighted estimate of credit losses.

The impairment losses and reversals are recognised in the 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 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.

v. Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset. Borrowing cost are recognised as expenses in the period in which they are incurred.

NOTES to the standalone financial statements for the year ended March 31, 2019

4. Property, plant and equipment

(₹ in Crores)

Description	Gross carrying value				Accumulated depreciation				Net carrying value	
	As at April 01, 2018	Additions	Deletions	As at March 31, 2019	As at April 01, 2018	For the year	Deletions	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Land (Freehold)										
Current year	17.84	-	-	17.84	-	-	-	-	17.84	17.84
Previous year	16.91	0.93	-	17.84	-	-	-	-	17.84	16.91
Buildings										
Current year	57.87	-	0.14	57.73	8.93	3.19	0.11	12.01	45.72	48.94
Previous year	57.22	0.73	0.08	57.87	5.82	3.16	0.05	8.93	48.94	51.40
Plant and machinery										
Current year	6.68	1.50	0.13	8.05	3.39	1.41	0.09	4.71	3.34	3.29
Previous year	6.25	0.80	0.37	6.68	2.26	1.28	0.15	3.39	3.29	3.99
Furniture and fixtures										
Current year	12.52	0.55	0.18	12.89	7.56	1.54	0.11	8.99	3.90	4.96
Previous year	12.07	0.57	0.12	12.52	5.03	2.57	0.04	7.56	4.96	7.04
Office equipment										
Current year	9.56	0.38	0.59	9.35	3.59	1.72	0.54	4.77	4.58	5.97
Previous year	8.78	0.84	0.06	9.56	1.58	2.05	0.04	3.59	5.97	7.20
Computers										
Current year	10.47	1.65	0.63	11.49	6.08	2.38	0.51	7.95	3.54	4.39
Previous year	8.36	2.33	0.22	10.47	3.64	2.54	0.10	6.08	4.39	4.72
Vehicles										
Current year	8.65	2.07	2.10	8.62	3.23	1.67	1.20	3.70	4.92	5.42
Previous year	8.00	1.92	1.27	8.65	2.23	1.68	0.68	3.23	5.42	5.77
Property, plant and equipment total										
Current year	**123.59**	**6.15**	**3.77**	**125.97**	**32.78**	**11.91**	**2.56**	**42.13**	**83.84**	**90.81**
Previous year	**117.59**	**8.12**	**2.12**	**123.59**	**20.56**	**13.28**	**1.06**	**32.78**	**90.81**	**97.03**

NOTES to the standalone financial statements for the year ended March 31, 2019

5. Intangible assets

(₹ in Crores)

Description	Gross carrying value				Accumulated amortisation				Net carrying value	
	As at April 01, 2018	Additions	Deletions	As at March 31, 2019	As at April 01, 2018	For the year	Deletions	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Software										
Current year	1.82	0.42	-	2.24	0.88	0.39	-	1.27	0.97	0.94
Previous year	0.87	0.95	-	1.82	0.63	0.25	-	0.88	0.94	0.24
Intangible assets total										
Current year	**1.82**	**0.42**	**-**	**2.24**	**0.88**	**0.39**	**-**	**1.27**	**0.97**	**0.94**
Previous year	**0.87**	**0.95**	**-**	**1.82**	**0.63**	**0.25**	**-**	**0.88**	**0.94**	**0.24**

6. Intangible assets under development represents the cost incurred towards the implementation of a new ERP system (SAP), including the cost of license. These cost would be capitalised as intangible assets in the subsequent year on implementation of the new ERP system (SAP).

7. Investment in subsidiaries and associate

Unquoted investments

Investment in Indian subsidiaries (₹ in Crores)

Name of the entity	March 31, 2019	March 31, 2018
9,081,465 (previous year: 7,243,230) equity shares of ₹ 10/- each fully paid-up in ProConnect Supply Chain Solutions Limited	44.55	19.55
4,500,000 (previous year: 4,500,000) equity shares of ₹ 10/- each fully paid-up in Ensure Support Services (India) Limited	4.50	4.50
Total	**49.05**	**24.05**

Investment in overseas subsidiaries (₹ in Crores)

Name of the entity	March 31, 2019	March 31, 2018
27,668,025 (previous year: 27,668,025) 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**
3,800,000 (previous year: 3,800,000) 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, 2019	March 31, 2018
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 (SARs)

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".

Stock Appreciation Right (SAR) related stock compensation expense of subsidiaries borne by the Company classified as investment cost are as follows:

(₹ in Crores)

Name of the entity	March 31, 2019	March 31, 2018
ProConnect Supply Chain Solutions Limited	3.30	0.69
Ensure Support Services (India) Limited	0.26	0.12
Redington International Mauritius Limited	6.73	1.43
Redington Distribution Pte. Ltd.	0.44	0.10
Total	**10.73**	**2.34**
Total investments	**638.45**	**605.06**
Aggregate value of unquoted investments	**638.45**	**605.06**

8. Other financial assets

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
Unsecured, considered good		
Deposits	2.08	3.80

9. Deferred tax assets

Recognised deferred tax assets

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
Deferred Tax Assets:		
Allowance for doubtful trade receivables	14.44	8.47
Provision for gratuity	6.22	4.20
Provision for compensated absences	1.84	1.46
Depreciation	0.37	1.14
Total	**22.87**	**15.27**

Movement in temporary differences

(i) For the year ended March 31, 2019

(₹ in Crores)

Particulars	Balance as on April 01, 2018	Recognized in the statement of profit and loss	Recognized in the other comprehensive income	Balance as on March 31, 2019
Deferred Tax Assets				
Allowance for doubtful trade receivables	8.47	5.97	-	14.44
Provision for gratuity	4.20	0.98	1.04	6.22
Provision for compensated absences	1.46	0.38	-	1.84
Depreciation	1.14	(0.77)	-	0.37
Total	**15.27**	**6.56**	**1.04**	**22.87**

NOTES to the standalone financial statements for the year ended March 31, 2019

(ii) 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**

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 assets will expire over a period of 3- 7 years.

10. Income tax assets (net)

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
Income tax assets (net of provisions)	101.58	53.80

Movement in income tax assets

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
Balance at the beginning of the year	53.80	54.24
Add: Taxes paid (net of refunds)	127.98	91.18
Less: Provision during the year	80.20	91.62
Balance at the end of the year	**101.58**	**53.80**

Tax expense recognised during the year

(₹ in Crores)

Particulars	2018-19		2017-18	
	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	80.20	-	91.62	-
Deferred tax	(6.56)	(1.04)	(4.21)	(2.84)
Total tax expenses	**73.64**	**(1.04)**	**87.41**	**(2.84)**

NOTES to the standalone financial statements for the year ended March 31, 2019

Reconciliation of effective tax rate:

(₹ in Crores)

Particulars	2018-19	2017-18	2018-19	2017-18
	Effective tax rate		Tax expense	
Profit before tax			225.78	271.33
Income tax expense	34.94%	34.61%	78.90	93.91
Effect of exempted income	(0.88%)	(0.96%)	(1.99)	(2.59)
Effect of tax incentives	(1.99%)	(2.09%)	(4.49)	(5.68)
Effect of non-deductible expense	0.99%	0.66%	2.22	1.77
Effect of Chapter VIA deduction of Income-tax Act,1961	(0.44%)	-	(1.00)	
Income tax expense recognized in Statement of profit and loss	**32.62%**	**32.22%**	**73.64**	**87.41**

11. Other non-current assets

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
Unsecured, considered good		
Capital advances	0.16	1.27
Receivable from Government authorities	84.11	39.81
Total	**84.27**	**41.08**

12. Inventories

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
Trading stocks	1,430.98	1,035.47
Goods in transit	101.99	54.01
Total	**1,532.97**	**1,089.48**

Also refer note 22(a).

13. Trade receivables

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
Unsecured		
Considered good	2,381.26	2,218.15
Considered doubtful / Credit impaired	41.33	24.25
	2,422.59	**2,242.40**
Less :- Allowance for doubtful trade receivables	41.33	24.25
Total	**2,381.26**	**2,218.15**

Also refer note 22(a).

14. Cash and cash equivalents

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
Cash on hand	0.06	0.07
Balance in current account	121.08	119.87
Cash and cash equivalents as per Balance Sheet	**121.14**	**119.94**
Less: Bank overdrafts used for cash management purposes	4.35	2.12
Cash and cash equivalents as per the Statement of cash flows	**116.79**	**117.82**

NOTES to the standalone financial statements for the year ended March 31, 2019

15. Other bank balances

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
(i) In deposit account	0.05	0.05
(ii) In earmarked accounts		
Unclaimed dividend account	0.10	0.10
Total	**0.15**	**0.15**

16. Loans - current

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
Unsecured, considered good		
Loans to related parties		
Currents Technology Retail (India) Limited	32.00	34.90
Total	**32.00**	**34.90**

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	2018-19	2017-18
ProConnect Supply Chain Solutions Limited	5.00	20.00
Ensure Support Services (India) Limited	-	4.50
Currents Technology Retail (India) Limited	39.80	38.30

17. Other financial assets - current

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
Unsecured, considered good		
Deposits	4.42	5.95
Other assets	26.07	34.24
Total	**30.49**	**40.19**

18. Other current assets

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
Unsecured, considered good		
Receivable from Government authorities	120.75	101.52
Prepaid expenses	9.83	7.12
Others	10.52	11.89
Total	**141.10**	**120.53**

19. 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, 2019	March 31, 2018
Authorised capital 425,000,000 (previous year: 425,000,000) equity shares of ₹ 2/- each	85.00	85.00
Issued, subscribed and fully paid up 389,081,315 (previous year: 400,172,685) equity shares of ₹ 2/- each fully paid up	77.82	80.03

Reconciliation of the number of shares outstanding and amount of share capital at the beginning and at the end of the year

(₹ in Crores)

Particulars	2018-19		2017-18	
	No of shares	₹ in Crores	No of shares	₹ in Crores
At the beginning of the year	400,172,685	80.03	399,848,460	79.97
Allotment of shares under Employee Stock Option Plan, 2008	28,630	0.01	324,225	0.06
Shares extinguished on Buy-back (refer note: 44)	(11,120,000)	(2.22)	-	-
Outstanding at the end of the year	**389,081,315**	**77.82**	**400,172,685**	**80.03**

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.

For details of dividends declared subsequent to balance sheet date refer note 46

Equity Share movement during 5 years preceding March 31, 2019

11,120,000 equity shares of ₹ 2 each were extinguished on buy-back by the Company pursuant to a Letter of Offer made to all eligible shareholders of the Company at ₹ 125 per equity share. The equity shares bought back were extinguished on December 7, 2018.

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

As at March 31, 2019

Particulars	No of shares held	% of Share holding
Synnex Mauritius Limited	94,295,940	24.24
Marina IV (Singapore) Pte. Ltd.	39,425,695	10.13
ICICI Prudential Life Insurance Company Limited	21,577,719	5.55
Franklin Templeton Investment Funds	20,045,105	5.15
HDFC Trustee Company Limited	35,135,559	9.03

As at March 31, 2018

Particulars	No of shares held	% of Share holding
Synnex Mauritius Limited	94,295,940	23.56
Marina IV (Singapore) Pte. Ltd.	39,425,695	9.85
ICICI Prudential Life Insurance Company Limited	28,074,785	7.02
HDFC Trustee Company Limited	35,418,802	8.85

Shares reserved for issue under Employee Stock Option Plan, 2008 and Stock Appreciation Right Scheme, 2017:

Particulars	March 31, 2019		March 31, 2018	
	Number of shares	₹ in Crores	Number of shares	₹ in Crores
a. Employee Stock Option Plan, 2008	19,095	0.01	61,460	0.01
b. Stock Appreciation Right Scheme, 2017	8,681,681	1.74	8,681,681	1.74

NOTES to the standalone financial statements for the year ended March 31, 2019

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.

The capital structure of the Company consists of 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, 2019	March 31, 2018
Debt (refer note 22) - Current	829.61	766.27
Debt - Non Current	0.94	-
Less: Cash and Cash Equivalents and Other Bank balance (refer note 14 and 15)	121.29	120.09
Net Debt(A)	**709.26**	**646.18**
Total Equity (Refer Note 19 and 20) (B)	**1603.94**	**1,689.46**
Net debt Equity ratio (A/B)	**0.44**	**0.38**

20. Other equity

i. Securities premium: **(₹ in Crores)**

Particulars	March 31, 2019	March 31, 2018
Opening balance	357.30	354.80
Add: Premium on allotment of shares under Employee Stock Option Plan, 2008 issued during the year	0.23	2.50
Less: Premium on buyback of equity shares during the year (refer note 44)	(136.78)	-
Balance at the end of the year	**220.75**	**357.30**

Securities premium is used to record the premium received on issue of shares.

ii. General reserve: **(₹ in Crores)**

Particulars	March 31, 2019	March 31, 2018
Opening balance	90.30	90.30
Less: Transfer to capital redemption reserve	(2.22)	-
Balance at the end of the year	**88.08**	**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. Capital Redemption Reserve: **(₹ in Crores)**

Particulars	March 31, 2019	March 31, 2018
Opening balance	-	-
Add: Transfer from general reserve	2.22	-
Balance at the end of the year	**2.22**	**-**

Capital redemption Reserve is created to the extent of the nominal value of the share capital extinguished on buyback of Company's purchases its own shares in accordance with Section 69 of the Companies Act, 2013. The reserve is utilized in accordance with provision of Companies Act, 2013.

NOTES to the standalone financial statements for the year ended March 31, 2019

iv. Re-measurement of defined benefit liability: (₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
Opening balance	(5.91)	(0.61)
Add: Movement during the year (net)	(1.90)	(5.30)
Balance at the end of the year	**(7.81)**	**(5.91)**

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.

v. Foreign currency translation reserve: (₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
Opening balance	(0.03)	(0.10)
Add: Movement during the year (net)	0.58	0.07
Balance at the end of the year	**0.55**	**(0.03)**

Exchange differences relating to the translation of the results and net assets of the Company's foreign operations from its functional currency to the presentation currency are recognized directly in other comprehensive income and accumulated in the foreign currency translation reserve.

vi. Stock compensation reserve: (₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
Opening balance	4.79	-
Add: Stock compensation expenses	16.67	4.79
Balance at the end of the year	**21.46**	**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.

vii. Surplus in the Statement of profit and loss: (₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
Opening balance	1162.98	1,085.34
Add: Profit for the year	152.14	183.92
Less: Expenses relating to buy-back of equity shares	(2.29)	-
Sub total	**1,312.83**	**1,269.26**
Dividend paid ₹ 2.30 per share (previous year: ₹ 2.10 per share)	(96.04)	(91.96)
Dividend distribution Tax on dividend paid	(19.73)	(18.72)
Dividend distribution tax credit on account of dividend received from subsidiaries	3.81	4.40
Balance at the end of the year	**1,200.87**	**1,162.98**
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	**1,526.12**	**1,609.43**

NOTES to the standalone financial statements for the year ended March 31, 2019

21. Provisions – non-current

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
Compensated absences	4.00	3.32
Gratuity	13.83	10.17
Total	**17.83**	**13.49**

Gratuity (included as part of employee benefits expense in note 29)

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	2018-19	2017-18
Defined benefit obligation at the beginning of the year	**12.02**	**6.65**
Current service cost	0.95	0.64
Interest cost	0.84	0.45
Actuarial loss	2.94	5.52
Benefits paid	(1.91)	(1.24)
Defined benefit obligation at the end of the year	**14.84**	**12.02**
Non-current obligation at the end of the year	13.83	10.17
Current obligation at the end of the year	1.01	1.85

Expenses recognised in Statement of profit and loss and Other comprehensive Income (₹ in Crores)

Particulars	2018-19	2017-18
Cost of the defined plan for the year:		
Current service cost	0.95	0.64
Interest on obligation	0.83	0.45
Net cost recognized in the statement of profit and loss	**1.78**	**1.09**
Net actuarial loss recognized in other comprehensive income	**2.94**	**5.52**

Principal actuarial assumptions for gratuity

Particulars	2018-19	2017-18
Discount Rate	7.51%	7.55%
Salary escalation rate	6.00%	5.00%
Attrition rate	12.00%	10.50%
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)

	March 31, 2019	March 31, 2018
Increase of 1% in assumptions	**Increase/ (Decrease)**	**Increase/ (Decrease)**
Discount rate	(1.23)	(0.70)
Salary escalation rate	1.39	0.64
Attrition rate	0.05	0.09
Decrease of 1% in assumptions	**Increase/ (Decrease)**	**Increase/ (Decrease)**
Discount rate	1.41	0.78
Salary escalation rate	(1.23)	(0.60)
Attrition rate	(0.07)	(0.10)

22. Short-term borrowings

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
Secured loans from banks (refer note a)	428.07	479.16
Unsecured loans from:		
(i) Banks	-	279.51
(ii) Others	5.63	7.60
Commercial paper (refer note b)	395.91	-
Total	**829.61**	**766.27**

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 ₹ 1,900.00 Crores (previous year: ₹ 1,390.00 Cores).

Details of Loans availed & repaid during the year FY 2018-19:

(₹ in Crores)

Particulars	Loan from Bank	Loan from Others	Commercial Paper	Total
Balance at the beginning of the year				
- Included under borrowings (refer note 22)	758.67	7.60	-	766.27
- Included under other financial liabilities (refer note 24)	3.93		-	3.93
Details of borrowings with a maturity of over 90 days				
Loans availed during the year	654.80	3.80	-	658.60
Repayments made during the year	(689.14)	(4. 82)	-	(693.96)
Details of other borrowings				
Loans availed during the year	2,544.20	3.03	8,137.33	10,684.56
Repayments made during the year	(2,825.34)	(3.04)	(7,741.42)	(10,569.79)
Movement in bank overdrafts (net) (refer note 14)	(2.23)			(2.23)
Finance cost	36.59	0.32	83.58	120.49
Interest paid	(36.67)	(0.32)	(83.58)	(120.57)
Effects of changes in foreign exchange rates	17.36			17.36
Balance at the end of the year				
- Included under borrowings (refer note 22)	428.07	6.57	395.91	830.55
- Included under other financial liabilities (refer note 24)	3.85	-	-	3.85

NOTES to the standalone financial statements for the year ended March 31, 2019

Details of Loans availed & repaid during the year FY 2017-18: **(₹ in Crores)**

Particulars	Loan from Bank	Loan from Others	Commercial Paper	Total
Balance at the beginning of the year				
- Included under borrowings	608.89	-	98.40	707.29
- Included under other financial liabilities	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 14)	(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 22)	758.67	7.60	-	766.27
- Included under other financial liabilities (refer note 24)	3.93	-	-	3.93

23. Trade payables

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
(A) Dues to Micro enterprises and Small enterprises	92.21	39.41
Total (A)	**92.21**	**39.41**
(B) Dues of creditors other than dues to Micro enterprises and Small enterprises		
(i) Trade payables	2,253.39	1,576.70
(ii) Other payables towards related parties	8.94	7.83
(iii) Other payables	32.21	35.72
Total (B)	**2,294.54**	**1,620.25**
Total (A+B)	**2,386.75**	**1,659.66**

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, 2019	March 31, 2018
Amount due to Vendor		
- Principal	92.21	39.41
- Interest	-	-
Interest paid beyond the appointed day	-	-
Amount of interest due and payable for the period of delay in making payment	-	-
Amount of interest accrued and remaining unpaid at the end of the year	-	-

NOTES to the standalone financial statements for the year ended March 31, 2019

24. Other financial liabilities

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
Interest accrued but not due on borrowings	3.85	3.93
Unclaimed dividend *	0.10	0.10
Supplier credit arrangements	45.32	40.64
Other liabilities	123.80	142.75
Total	**173.07**	**187.42**

*No amount is due and outstanding to be credited to Investor Education and Protection Fund.

25. Other current liabilities

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
Statutory liabilities	79.56	54.41
Advances received from customers	22.66	22.01
Other liabilities	89.58	53.58
Total	**191.80**	**130.00**

26. Provisions - current

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
Compensated absences	1.27	0.82
Gratuity	1.01	1.85
Total	**2.28**	**2.67**

27. Revenue from operations

(₹ in Crores)

Particulars	2018-19	2017-18
Sale of products	16,834.49	14,835.73
Service income	10.49	2.32
Other operating revenue	6.23	6.16
Total	**16,851.21**	**14,844.21**

28. Other income

(₹ in Crores)

Particulars	2018-19	2017-18
Interest income under the effective interest rate method on:		
Bank deposits	1.84	0.02
Loans	2.50	3.08
Others:		
Dividend from subsidiaries	18.54	21.62
Interest from dealers	21.97	12.15
Income from short term investments	1.97	1.07
Bad debts written off in earlier years recovered	1.69	0.87
Gain on sale of Property, plant and equipment and assets held for sale (net)	3.95	2.68
Interest on income tax refund	-	0.18
Rental income	3.52	2.70
Other non-operating income	2.19	1.16
Total	**58.17**	**45.53**

NOTES to the standalone financial statements for the year ended March 31, 2019

29. Employee benefits expense

(₹ in Crores)

Particulars	2018-19	2017-18
Salaries and bonus	117.95	118.71
Contribution to provident and other funds	6.61	6.21
Welfare expenses	5.02	3.94
Stock compensation expenses	8.26	2.45
Gratuity	0.95	0.64
Total	**138.79**	**131.95**

30. Finance costs

(₹ in Crores)

Particulars	2018-19	2017-18
Interest on borrowings	117.99	96.84
Others	3.60	2.02
Total	**121.59**	**98.86**

31. Depreciation and amortisation expense

(₹ in Crores)

Particulars	2018-19	2017-18
Depreciation of property, plant and equipment (refer note 4)	11.91	13.28
Amortisation of intangible assets (refer note 5)	0.39	0.25
Total	**12.30**	**13.53**

32. Other expenses

(₹ in Crores)

Particulars	2018-19	2017-18
Rent (refer note 35)	11.47	12.71
Warehouse product / handling charges	69.47	70.37
Freight	2.73	2.52
Commercial taxes	-	4.02
Repairs and maintenance	11.60	7.59
Insurance	17.92	12.09
Rates and taxes	0.68	0.51
Communication	4.84	5.47
Travel	10.63	13.05
Conveyance	3.52	3.82
Bad debts *	-	-
Allowance for doubtful trade receivables	37.28	19.84
Auditors' remuneration (Refer details below)	0.57	0.51
Exchange loss (net)	10.46	21.02
Factoring charges	8.74	11.48
Non-executive/ Independent Directors remuneration	1.37	1.42
Outsourced resource cost	3.91	4.97
Bank charges	21.04	2.36
Sales promotion expenses	113.60	100.29
Corporate social responsibility expenditure (refer note 40)	5.75	5.75
Miscellaneous expenses	12.79	11.71
Total	**348.37**	**311.50**

*The amount of bad debts written off against allowance for doubtful trade receivables is ₹ 20.30 Crores (previous year: ₹ 10.31 Crores).

NOTES to the standalone financial statements for the year ended March 31, 2019

Auditor's Remuneration (₹ in Crores)

Particulars	2018-19	2017-18
As auditor		
Audit fees	0.29	0.28
Tax audit	0.02	0.02
Remuneration to branch auditors (refer note (a) below)	0.09	0.09
In other capacities		
Certification fees (refer note (a) below)	0.16	0.11
Re-imbursement of expenses (includes taxes)	0.01	0.01
Total remuneration	**0.57**	**0.51**

Note (a): Includes fees paid / payable to a firm other than B S R & Co. LLP

33. Earnings per equity share

(₹ in Crores)

Particulars	2018-19	2017-18
Profit after tax (₹ in Crores)	152.14	183.92
Weighted average number of equity shares (Basic)	396,707,747	400,003,004
Earnings per share- Basic ₹	**3.84**	**4.60**
Weighted average number of equity shares (Diluted)	396,712,117	400,032,508
Earnings per share-diluted ₹	**3.84**	**4.60**
Face Value per share in ₹	2/-	2/-
Weighted average number of equity shares (Basic)	396,707,747	400,003,004
Add: Effect of employee stock option (dilutive)	4,370	29,504
Less: Effect of stock appreciation rights (anti-dilutive)	-	-
Weighted average number of equity shares (diluted) #	396,712,117	400,032,508

The effect of ESOP is dilutive whereas the effect of SAR is anti-dilutive.

34. Contingencies and commitments

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
i. Guarantees relating to channel financing	0.35	4.35
ii. Claims against the Company not acknowledged as debts	6.36	3.57

iii. Disputed Customs Duty/Income Tax/Sales Tax/Service Tax demands (₹ in Crores)

Nature of Dues	March 31, 2019	March 31, 2018
Income Tax (refer **Note A** below)	17.94	15.42
Sales Tax	69.25	57.49

Note A

Includes similar issues for which the Company has received favourable disposition at the Tribunal level in the past.

iv. Capital commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is ₹ 1.88 Crores (previous Year: ₹ 15.57 Crores).

NOTES to the standalone financial statements for the year ended March 31, 2019

35. Operating leases

The Company has taken various operating leases for its office premises, which is for a period ranging from 8 months to 9 years.

Payments recognized as expense

(₹ in Crores)

Particulars	2018-19	2017-18
Minimum lease payments	11.47	12.71
Total	**11.47**	**12.71**

Future minimum lease payments

The future minimum lease payments under non-cancellable operating leases are as follows: (₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
Payable in less than one year	4.33	4.52
Payable between one and five years	3.17	4.90
Total	**7.50**	**9.42**

36. Financial instruments

Accounting classifications and fair values

The following table shows the carrying amounts of financial assets and financial liabilities: (₹ in Crores)

March 31, 2019	Carrying amount			
Particulars	**Note reference**	**Other financial assets- amortised cost**	**FVTPL – others**	**Total carrying amount**
Financial assets measured at fair value				
Trade receivables	Note 13	2,381.26	-	2,381.26
Cash and cash equivalents	Note 14	121.14	-	121.14
Other bank balances	Note 15	0.15	-	0.15
Loans	Note 16	32.00	-	32.00
Other financial assets	Note 8 and 17	32.57	-	32.57
Total		**2,567.12**	**-**	**2,567.12**
Financial liabilities measured at fair value				
Borrowings				
(A) Current	Note 22	829.61	-	829.61
(b) Non- current		0.94	-	0.94
Trade payables	Note 23	2,386.75	-	2,386.75
Other financial liabilities	Note 24	138.09	-	138.09
Forward contract	Note 24		34.98	34.98
Total		**3,355.39**	**34.98**	**3,390.37**

The Investments in subsidiaries and associate (refer note 7), is accounted at cost less impairment.

(₹ 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 13	2,218.15	-	2,218.15
Cash and cash equivalents	Note 14	119.94	-	119.94
Other bank balances	Note 15	0.15	-	0.15
Loans	Note 16	34.90	-	34.90
Other financial assets	Note 8 and 17	43.99	-	43.99
Total		**2,417.13**	**-**	**2,417.13**
Financial liabilities measured at fair value				
Borrowings	Note 22	766.27	-	766.27
Trade payables	Note 23	1,659.66	-	1,659.66
Other financial liabilities	Note 24	186.74	-	186.74
Forward contract	Note 24	-	0.68	0.68
Total		**2,612.67**	**0.68**	**2,613.35**

The Investments in subsidiaries and associate (refer note 7), is accounted at cost less impairment.

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, 2019	March 31, 2018
Financial assets measured at fair value		
Deposits (Level 2)	6.50	9.75
Financial liabilities measured at fair value		
Forward contract (Level 2)	(34.98)	0.68

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.

37. 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.

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency risk

NOTES to the standalone financial statements for the year ended March 31, 2019

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 primary on account of 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, 2019		March 31, 2018	
	$ in Crores	₹ in Crores	$ in Crores	₹ in Crores
Borrowings:				
Foreign currency exposure	6.19	427.76	9.83	640.35
Less: Hedged through forward exchange contracts	6.13	423.72	9.77	636.55
Unhedged exposure	**0.06**	**4.04**	**0.06**	**3.80**
Trade Payables:				
Foreign currency exposure	13.38	926.10	7.73	504.41
Less: Hedged through forward exchange contracts	13.14	909.22	7.24	472.26
Unhedged exposure	**0.24**	**16.88**	**0.49**	**32.15**
Receivables:				
Foreign currency exposure – unhedged	**1.56**	**107.87**	**2.18**	**142.52**

The un-hedged balances as at March 31, 2019 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.

Sensitivity analysis:

Sensitivity analysis is carried out for un-hedged foreign exchange risk as at March 31, 2019. For every 1% strengthening of Indian Rupees against all relevant uncovered foreign currency transactions profit before tax would be impacted by loss of ₹ 0.87 Crores (previous year ₹ 1.10 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	2018-19	2017-18
Balance at the beginning of the year	24.25	14.72
Allowance recognized during the year	37.28	19.84
Less: Written-off during the year	20.30	10.31
Currency translation adjustment	0.10	-
Balance at the end of the year	**41.33**	**24.25**

Ageing of trade receivables:

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
Less than 90 days	2,262.89	2,049.20
91-180 days	58.56	73.40
More than 180 days	101.14	119.80
Total	**2,422.59**	**2,242.40**

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 receivables 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.

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, 2019		March 31, 2018	
	Carrying amount	Cash outflow	Carrying amount	Cash outflow
> 1 year				
Long-term borrowings	0.94	0.99	-	-
< 1 year				
Short-term borrowings	829.61	837.11	766.27	768.71
Trade payables	2,386.75	2,386.75	1,659.66	1,659.66
Other financial liabilities	138.09	138.09	186.74	186.74
Forward contracts	34.98	34.98	0.68	0.68

38. Related party disclosures (As per Ind AS 24 "Related party disclosures")

1) Key Management Personnel (KMP)

Mr. Raj Shankar, Managing Director

Mr. E.H. Kasturi Rangan, Whole time Director

Refer note 39 for details of remuneration paid to KMP

NOTES to the standalone financial statements for the year ended March 31, 2019

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 *
	Synnex Australia Pty Limited, Australia *
	Harrow Investment Holding Limited (Upto July 13, 2017)
Subsidiary Companies	Redington International Mauritius Limited, Mauritius*
	Redington Gulf FZE(RGF) , Dubai
	Cadensworth FZE, Dubai
	Redington Gulf & Co. LLC, Oman
	Redington Nigeria Limited, Nigeria
	Redington Egypt Ltd (Limited Liability Company), Egypt
	Redington Kenya Limited, Kenya
	Redington Middle East LLC, Dubai
	Redington Qatar WLL, Qatar
	Ensure Services Arabia LLC, Kingdom of Saudi Arabia
	Redington Africa Distribution FZE, Dubai
	Ensure Services Bahrain S.P.C (formerly Redington Bahrain S.P.C) , Kingdom of Bahrain
	Redington Distribution Pte. Ltd, Singapore *
	Redington Bangladesh Limited, Bangladesh
	Redington Qatar Distribution WLL, Qatar
	Redington Kenya (EPZ) Limited, Kenya
	Redington Limited, Ghana
	Redington Uganda Limited, Uganda
	Redington Gulf FZE Co, Iraq
	Cadensworth UAE LLC, Dubai
	Redington Morocco Ltd, Morocco
	Redington Tanzania Limited., Tanzania
	Redington SL Private Limited., Sri Lanka
	Redington Turkey Holdings S.A.R.L (RTHS) , Grand Duchy of 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 S.A.R.L, Senegal
	Redington Saudi Arabia Distribution Company, Saudi Arabia
	PayNet Ödeme Hizmetleri A.S., Turkey
	CDW International Trading FZCO, Dubai
	RNDC Alliance West Africa Limited, Nigeria
	Linkplus Bilgisayar Sistemleri Sanayi ve Ticaret A.S., Turkey
	Redserv Business Solutions Private Limited, India
	ProConnect Saudi LLC, Saudi Arabia
	Redington Distribution Company LLC, Egypt
	Ensure Middle East Technology Solutions LLC, Abu Dhabi
	Rajprotim Supply Chain Solutions Limited, India
	Citrus Consulting Services FZ LLC, Dubai
	Arena Mobile Iletisim Hizmetleri Ve Tuketici Elektronigi Sanayi Ve Ticaret Anonim Sirketi, Turkey
	Online Elektronik Ticaret Hizmetleri A.S., Turkey
	Paynet (Kibris) Ödeme Hizmetleri Limited, Cyprus
	Ensure Services Limited, Egypt
	Redington Cote d'Ivoire SARL, Cote d'Ivoire
	Africa Joint Technical Services, Libya
	Redington Angola Ltd., Angola
	Acquired during the year
	Auroma Logistics Private Limited, India
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.

3) Nature of Transactions (₹ in Crores)

Nature of Transactions	2018-19	2017-18
	Parties having Significant Influence	Parties having Significant Influence
Synnex Mauritius Limited		
Dividend paid	22.63	21.69
Synnex Australia Pty Limited		
Service Charges - Income	0.14	-
Amount receivable at the year end	0.08	-

NOTES to the standalone financial statements for the year ended March 31, 2019

(₹ in Crores)

Nature of Transactions	2018-19 Subsidiary Companies	2017-18 Subsidiary Companies
Redington International Mauritius Limited		
Stock compensation expense treated as investments	5.30	1.43
Redington Distribution Pte Limited		
Trading purchases	-	9.43
Sales / Service income	-	0.53
Dividend income	12.84	16.42
Service charges – expenses	0.40	0.28
Stock compensation expense treated as investments	0.34	0.10
Amount payable at the year end	0.09	0.09
ProConnect Supply Chain Solutions Limited		
Sales / Service income	0.22	0.69
Service charges – expense	-	0.08
Interest on loan	0.04	0.58
Rental income	3.18	2.41
Warehouse Product / handling charges	65.39	67.83
Stock compensation expense treated as investments	2.61	0.69
Dividend income	4.35	3.62
Loan disbursed	5.00	14.00
Loan settled	5.00	24.00
Amount receivable at the year end	0.49	0.28
Amount payable at the year-end (net)	9.34	7.83
Equity contribution made during the year	25.00	-
Ensure Support Services (India) Limited		
Sales / Service income	0.36	0.39
Rental income	0.46	0.46
Interest on loan	-	0.13
Dividend income	1.35	1.58
Warehouse / Product handling charges – expense	4.08	-
Purchases of Fixed Assets	0.08	-
Purchases	-	0.03
Service Charges – expense	1.42	3.87
Stock compensation expense treated as investments	0.14	0.12
Loan disbursed	-	4.00
Loan settled	-	6.50
Amount payable at the year end	0.02	1.56
Amount receivable at the year end	0.17	0.22

Nature of Transactions	2018-19	2017-18
	Subsidiary Companies	Subsidiary Companies
Currents Technology Retail (India) Limited		
Sales of products	21.95	54.90
Interest on loan	2.33	2.35
Loan disbursed	63.40	78.30
Loan settled	66.30	74.80
Loan outstanding at the year end	32.00	34.90
Trade receivable at the year end	14.15	17.64

(₹ in Crores)

Nature of Transactions	2018-19	2017-18
	Party Where Control Exists	Party Where Control Exists
Redington Employee Share Purchase Trust		
Deficit absorbed	0.0019	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.

39. Key Managerial Remuneration

(₹ in Crores)

Nature of Transactions	2018-19	2017-18 *
Remuneration to whole-time director		
Salaries and Bonus	0.90	1.24
Contribution to Provident Fund	0.03	0.03
Stock compensation expense (SAR)	0.30	0.07
Total remuneration	**1.23**	**1.34**

a) Provision for gratuity and compensated absences are based on an actuarial valuation performed on an overall Company basis and hence excluded above.

40. Corporate social responsibility

For the year 2018-19, the Company was required to spend ₹5.75 Crores (previous year: ₹5.74 Crores) on "Corporate Social Responsibility (CSR)" against which the Company has spent ₹5.75 Crores (previous year: ₹5.75 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, segment information has been disclosed in consolidated financial statements as per Ind AS-108 "Operating Segment".

42. Employee Stock Option Plan 2008 (ESOP 2008)

The Company 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 standalone financial statements for the year ended March 31, 2019

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	2,335,973	11,000	276,143	25,000	173,212
Options lapsed	587,670	4,750	-	-	50,572
Options vested	1,748,303	6,250	276,143	25,000	122,640
Options exercised at the beginning of the year	1,748,303	6,250	276,143	25,000	113,095
Options exercised during the year	-	-	-	-	5,726
Total options outstanding and not exercised as on March 31, 2019	-	-	-	-	3,819

* Out of the total options granted in 2008, 1,959,830 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	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	Fair Value
February 29,2008	171.33
Re-priced on January 28, 2009	25.56
Re-priced on May 22, 2009	33.04
July 25, 2008	159.71
Re-priced on January 28, 2009	23.77
January 28, 2009	47.46
May 22, 2009	79.82
December 05, 2011	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.

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.

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.

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 2018-19		FY 2017-18	
	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (₹)
Balance at the beginning of the year	12,292	396.50	80,337	396.50
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	5,726	396.50	64,845	396.50
Expired during the year	2,747	396.50	3,200	396.50
Balance at the end of the year	**3,819**	**396.50**	**12,292**	**396.50**

Weighted average contractual life

The weighted average remaining contractual life of the options outstanding is 0.75 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	5,726	December 18, 2018	BSE-86.35/NSE-86.25

NOTES to the standalone financial statements for the year ended March 31, 2019

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 8,681,681 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 8,179,000 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 SAR 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

Particulars	March 31,2019	March 31,2018
B. Details of movement in SARs granted during the year		**Units (in numbers)**
SARs outstanding at the beginning of the year	8,149,000	-
Number of SARs granted during the year	-	8,179,000
SARs lapsed during the year	631,400	30,000
Total number of shares to be allotted on exercise of SAR	-	-
SARs outstanding at the end of the year	7,517,600	8,149,000
SARs exercisable at the end of the year	753,200	
C. Range of exercise prices of SARs outstanding at the end of the year	₹ 2	₹ 2

D.	**Weighted average remaining contractual life (in years)**	2.76	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 at the time of the grant 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 SAR's**

Expected Life of SAR is the period over which the Company expects the SAR to be exercised. The minimum life of SAR is the minimum period before which the SAR cannot be exercised. The maximum life is the period after which the SAR 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.

NOTES to the standalone financial statements for the year ended March 31, 2019

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. Buy Back of equity shares

The Board of Directors at its meeting held on September 17, 2018, considered and approved the proposal for buy-back of up to 11,120,000 fully paid up equity shares of the Company (representing 2.78 % of the total paid-up equity share capital of the Company as on March 31, 2018) of the face value of ₹ 2 each at a price of ₹ 125 per equity share for an aggregate amount not exceeding ₹ 139 Crores from the members of the Company, as on September 28, 2018 (the record date determined by the Board), on a proportionate basis through "Tender Offer" route as prescribed under the SEBI (Buy-back of Securities) Regulations, 2018. A Letter of Offer was made to all eligible shareholders and the Company completed the buy-back of 11,120,000 equity shares resulting in a reduction in the share capital and securities premium of the Company by ₹ 2.22 Crores and ₹ 136.78 Crores respectively.

Further, pursuant to the buy-back, the Company has also transferred an amount of ₹ 2.22 Crores from general reserve to capital redemption reserve in accordance with the provisions of the Companies Act, 2013. The transaction costs relating to buy-back amounting to ₹ 2.29 Crores was charged to Surplus in the statement of profit and loss (Retained earnings) under other Equity.

45. Adoption of Ind AS 115 - Revenue from contracts with customers

The Company has adopted Ind AS 115, Revenue from Contracts with Customers (which replaces earlier revenue recognition standards) with effect from April 1, 2018. The core principle of this standard is that the Company shall recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Under Ind AS 115, the Company recognizes 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 has applied Ind AS 115 retrospectively. Accordingly, the information presented for year ended March 31, 2018 has been restated. Upon adoption of Ind AS 115, the Company has changed the accounting policy with respect to income from supplier schemes. Income from supplier schemes was hitherto classified as part of revenue from operations. The Company has adjusted rebate earning from supplier schemes against purchase of traded goods.

The following table summarizes the impact of transition to Ind AS 115 on the amounts reported in the FY 2017-18:

Particulars	**₹ in Crores**
Revenue from operations as reported in the last year	15,262.58
Effect on adoption of Ind AS 115	(418.37)
Revenue from operations (As per Note 27)	**14,844.21**
Purchases of traded goods as reported in the last year	14,004.50
Effect on adoption of Ind AS 115	(418.37)
Cost of Purchases of traded goods	**13,586.13**

46. Events after the Reporting period (Non-adjusting)

The Board of Directors at its meeting held on May 22, 2019 has recommended a dividend of ₹ 3.30/- per equity share of ₹ 2/- each (i.e., 165 % of face value) for the financial year ended March 31, 2019 (previous year ₹ 2.40 per equity share of ₹ 2/- each (i.e., 120% of face value) subject to the approval of shareholders in the ensuing Annual General Meeting.

NOTES to the standalone financial statements for the year ended March 31, 2019

47. These standalone financial statements were approved for issue by the Board of Directors on May 22, 2019.

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 22, 2019

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

Consolidated Financial Statements

INDEPENDENT AUDITORS' REPORT

To the Members of Redington (India) Limited

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Redington (India) Limited (hereinafter referred to as the 'Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its associates, which comprise the consolidated balance sheet as at March 31, 2019, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements"), in which are included the financial statements / financial information ("the Returns") for the year ended on that date audited by the branch auditors of the Company's branch at Singapore.

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 the branch and other auditors on separate financial statements of the branch, subsidiaries and associates as were audited by the branch and other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("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 associates, as at March 31, 2019, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter	How the matter was addressed in our audit
Revenue recognition under new accounting standard *Ind AS 115: Revenue from Contracts with Customers* The Company has adopted Ind AS 115 - Revenue from Contracts with Customers (Ind AS 115) which is the new revenue accounting standard. Ind AS 115 is effective for the year beginning April 1, 2018 and establishes a comprehensive framework for determining and identifying whether a contract with the customer exists, how much and when revenue is recognized. This involves certain key judgments relating to identification of contracts with customers, identification of distinct performance obligations, determination of transaction price, appropriateness of the basis used to measure revenue recognized over a period or at a point in time. Revenue is recognized 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. In view of the above, the application and transition to this accounting standard and is an area of focus in the audit. See notes 4(h) and 46 to the consolidated financial statements.	In view of the significance of the matter, we applied the following key audit procedures: • Testing the design and operating effectiveness of controls relating to implementation of the new revenue accounting standard. • Verifying management's assessment of contractual arrangements including those relating to income from supplier rebates, terms of contract and commercial substance thereof in order to assess the adherence to revised accounting policies in light of the requirements of Ind AS 115. • Selecting samples of contractual arrangements, testing management's assessment of the applicability of the standard to such arrangements, identification of distinct performance obligations and determination of transaction prices. • Additionally, we also evaluated the adequacy of disclosures made in the financial statements.

The key audit matter	How the matter was addressed in our audit
Taxation related matters Determination of tax provisions and assessment of contingent liabilities involves judgment with respect to various tax positions on deductibility of transactions, tax incentives/ exemptions, interpretation of laws and regulations etc. Judgment is also required in assessing the range of possible outcomes for some of these matters. Management makes an assessment to determine the outcome of these matters and decides to make an accrual or consider it to be a possible contingent liability in accordance with applicable accounting standards. Accordingly, taxation and contingent liability related matters are areas of focus in the audit. See notes 4(m) and 32 to the consolidated financial statements.	In view of the significance of the matter, we applied the following key audit procedures: • Testing the design and operating effectiveness of controls relating to taxation and contingencies. • We evaluated management's judgements in respect of estimates of provisions, exposures and contingencies. • In understanding and evaluating management's judgements, we deployed our tax specialists, considered third party advice received by the Company, wherever applicable, the status of recent and current tax assessments and enquiries, the outcome of previous claims, judgmental positions taken in tax returns and developments in the tax environment. • Additionally, we also evaluated the adequacy of disclosures on provisions and contingencies made in the financial statements.

The key audit matter	How the matter was addressed in our audit
Trade receivables and other financial assets The Company has significant trade receivables and other financial assets at year end. Given the size of the balances and the risk that some of the trade receivables and other financial assets may not be recoverable, judgement is required to evaluate whether any allowance should be made to reflect the risk. The Company recognizes loss allowance for trade receivables and other financial assets at the expected credit loss ('ECL'). Assessment of the recoverability of trade receivables and other financial assets is inherently subjective and requires significant management judgment (which include repayment history and financial position of entities from whom these balances are recoverable, terms of underlying arrangements, overdue balances, market conditions etc.). See note 4(w) to the consolidated financial statements.	In view of the significance of the matter, we applied the following key audit procedures: • Obtaining an understanding of and assessing the design, implementation and operating effectiveness of the Company's key internal controls over the process of estimating the loss allowance for trade receivables and other financial assets including adherence to the requirements of the relevant accounting standards • Assessing the Company's methodology for provisioning towards trade receivables and other financial assets (which includes dues from related parties) • Understanding the key inputs used in the provisioning model by the Company such as repayment history, terms of underlying arrangements, overdue balances, market conditions, type of collateral and credit insurance coverage, if any • Obtaining an understanding and assessing the reasonableness of the key outputs calculated by the model, as well as key judgments and assumptions used by the management for the implementation of the model • Assessing the disclosures made against the relevant accounting standards.

The key audit matter	How the matter was addressed in our audit
Supplier rebates **(also reported by the auditors of a subsidiary)** The Group is entitled to price support from the suppliers in the form of rebates (also referred to as backend income). Given the varied types of rebate schemes, determination of whether the Group is entitled to such rebates and if so, the quantum of rebates involves estimation and judgements to be applied by the management. In view of the above, this is a significant area of focus in the audit. See note 2(d)(vii) to the consolidated financial statements.	In view of the significance of the matter, the following audit procedures were performed by us and by the auditors of the subsidiaries: • Obtaining an understanding of and assessing the design, implementation and operating effectiveness of the Group's key internal controls over supplier rebates • Selecting samples and verifying contractual arrangements and testing the underlying documents such as credit notes received to ensure the recording is in the correct period • Verifying whether there are any changes in the policy and business process relating to supplier rebates.
Impairment of goodwill and intangible assets **(reported by the auditors of a subsidiary)** One of the Group's entities, Redington Gulf FZE (RGF) carried out an impairment exercise of its investment in its subsidiary at Turkey, Arena Bilgisayar Sanayi Ve Ticaret AS (Arena) due to the change in the economic situation in the country of the subsidiary. Consequently the Group has recognised a goodwill and intangible related impairment for the year ended March 31, 2019. The impairment testing of goodwill and intangibles involves significant judgement in determining the assumptions to be used to estimate the recoverable amount. In view of the above, this is a significant area of focus in the audit. See note 40 to the consolidated financial statements.	In view of the significance of the matter, the auditor of the subsidiary has reported that the following audit procedures in this area were applied, among others to obtain sufficient appropriate audit evidence: • Obtaining the impairment valuation report performed by a third-party consultant • Reviewing the impairment valuation report by engaging the internal specialists team to verify the appropriateness of the assumptions including weighted average cost of capital calculation and methodology used in valuation • Evaluating the appropriateness of the assumptions determined by the management and comparing the financial forecast in the valuation report against the historical financial information and managements assumptions. • Verified the appropriateness of the disclosures.

Other Information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the holding Company's annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of 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 associates 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 associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company 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 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 management and Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of each company 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.

The respective Board of Directors of the companies included in the Group and of its associates is responsible for overseeing the financial reporting process of each company.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 (company and subsidiaries) as well as associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the branch and the other entities included in the consolidated financial statements, which have been audited by the branch auditors and other auditors, such branch auditors and other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in the section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the branch auditors and other auditors referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements of two foreign subsidiaries (which included the financial statements of its step-down subsidiaries) and two Indian subsidiaries, whose financial statements reflect total assets of INR 7,705.91 crores and net assets of INR 3,180.65 crores as at March 31, 2019, total revenues of INR 29,517.75 crores and net cash inflows amounting to INR 314.23 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 (and other comprehensive income) of INR Nil for the year ended March 31, 2019, in respect of the associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associates is based solely on the reports of the other auditors.

We also did not audit the financial statements of a foreign branch included in the consolidated financial statements of the Company whose financial statements reflect total assets of INR 141.28 crores and net assets of INR 66.00 crores as at March 31, 2019 and the total revenue of INR 256.90 crores and net cash inflows of INR 2.31 crores for the year ended on that date, as considered in the consolidated financial statements. This branch has been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of branch, is based solely on the report of such branch auditors.

The branch and certain 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 the 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 branch and 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 branch and subsidiaries located outside India is based on the report of the branch auditors and other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the branch auditors and other auditors.

Report on Other Legal and Regulatory Requirements

A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the branch auditors and other auditors on separate financial statements of such branch, subsidiaries and associates as were audited by branch auditors and other auditors, 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 branch auditors and other auditors.

   c) The reports 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 (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows 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 Ind AS 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, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries and associates incorporated in India, none of the directors of the Group companies, its associates incorporated in India is disqualified as on March 31, 2019 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 companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

B. 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 reports of the branch auditors and other auditors on separate financial statements of the branch, subsidiaries and associates as noted in the 'Other Matters' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations as at March 31, 2019 on the consolidated financial position of the Group and its associates. Refer Note 32 to the consolidated financial statements.

ii. The Group and its associates did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended March 31, 2019.

iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies, associate companies incorporated in India during the year ended March 31, 2019.

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 in the financial statements since they do not pertain to the financial year ended March 31, 2019.

C. With respect to the matter to be included in the Auditor's report under section 197(16):

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies and associate companies incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company, its subsidiary companies and associate companies to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company, its subsidiary companies, and associate companies is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

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

S Sethuraman
Partner
Membership No. 203491
Place: Chennai
Date: May 22, 2019

Annexure A to the Independent Auditors' report on the consolidated financial statements of Redington (India) Limited for the year ended March 31, 2019

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

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

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2019, we have audited the internal financial controls with reference to consolidated financial statements of Redington (India) Limited (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies and its associate companies, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies and its associate companies, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at March 31, 2019, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. 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 consolidated financial statements were 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls 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 consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies and associate companies 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 internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial controls with Reference to consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to two subsidiary companies and two associate companies, 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 this matter.

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

S Sethuraman
Partner
Membership No. 203491
Place: Chennai
Date: May 22, 2019

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

All amounts in crores of Indian Rupees (₹) except share data and as otherwise stated

Particulars	Note	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non-current assets			
Property, plant and equipment	5	186.87	185.99
Capital work-in-progress		7.56	2.78
Goodwill	6	22.03	21.27
Other intangible assets	5	245.40	262.88
Intangible assets under development	5	30.27	17.57
Financial assets			
- Others financial assets	14	25.72	21.17
Deferred tax assets (net)	8	40.14	25.10
Income tax assets (net)	7	105.12	57.52
Other non-current assets	9	89.02	45.07
Total non-current assets		**752.13**	**639.35**
Current assets			
Inventories	10	3,859.17	3,106.62
Financial assets			
- Investments	15	7.03	3.52
- Trade receivables	11	6,278.56	6,041.93
- Cash and cash equivalents	12	866.64	527.99
- Other bank balances	12	10.55	13.28
- Loans	13	44.00	46.90
- Other financial assets	14	264.22	178.69
Other current assets	16	338.38	306.48
Total current assets		**11,668.55**	**10,225.41**
Assets held for sale		-	0.03
Total assets		**12,420.68**	**10,864.79**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	77.82	80.03
Other equity	18	3,828.16	3,450.53
Equity attributable to the shareholders of the Company		**3,905.98**	**3,530.56**
Non-controlling interests	19	344.67	358.83
Total equity		**4,250.65**	**3,889.39**
Liabilities			
Non-current liabilities			
Financial liabilities			
- Borrowings	20	24.54	4.23
- Others	23	7.00	0.16
Provisions	21	97.10	81.66
Deferred tax liabilities (net)	8	1.53	1.49
Total non-current liabilities		**130.17**	**87.54**

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

All amounts in crores of Indian Rupees (₹) except share data and as otherwise stated

Particulars	Note	As at March 31, 2019	As at March 31, 2018
Current liabilities			
Financial liabilities			
- Borrowings	20	1,282.86	1,453.56
- Trade payables	22		
(A) Dues of micro enterprises and small enterprises		92.21	39.41
(B) Dues of creditors other than micro enterprises and small enterprises		5,812.65	4,725.79
- Other financial liabilities	23	204.00	211.49
Other current liabilities	24	598.03	413.03
Provisions	21	17.67	18.37
Current tax liabilities	7	32.44	26.21
Total current liabilities		**8,039.86**	**6,887.86**
Total liabilities		**8,170.03**	**6,975.40**
Total equity and liabilities		**12,420.68**	**10,864.79**
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 Number: 101248W/W-100022

S Sethuraman
Partner
Membership No. 203491

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 22, 2019.

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

All amounts in crores of Indian Rupees (₹) except share data and as otherwise stated

Particulars	Note	For the year ended March 31, 2019	For the year ended March 31,2018
Revenue from operations	25	46,536.15	41,602.58
Other income (net)	26	63.23	39.09
Total income		**46,599.38**	**41,641.67**
Expenses			
Purchases of traded goods		44,598.99	38,898.09
Changes in inventories of traded goods and spares		(786.15)	301.71
Employee benefits expense	27	724.20	652.95
Finance costs	28	204.15	168.03
Depreciation and amortisation expense	29	63.36	56.94
Other expenses	30	1,100.43	933.38
Total expenses		**45,904.98**	**41,011.10**
Profit before exceptional item and tax		**694.40**	**630.57**
Exceptional item			
Impairment of goodwill and other intangibles	40	71.06	-
Profit before tax		**623.34**	**630.57**
Tax expense			
Current tax	7	157.55	150.26
Deferred tax		(18.68)	(4.11)
Total tax expense		**138.87**	**146.15**
Profit for the year (A)		**484.47**	**484.42**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement of defined benefit liability		(3.29)	(9.12)
Income tax relating to the above		1.16	3.18
Net other comprehensive income / (loss) that will not be reclassified to profit or loss		**(2.13)**	**(5.94)**
Items that will be reclassified to profit or loss			
Exchange differences in translating the financial statements of foreign operations		138.67	11.26
Income tax relating to item above		-	-
Net other comprehensive income / (loss) that will be reclassified to profit or loss		**138.67**	**11.26**
Total other comprehensive income (B)		**136.54**	**5.32**
Total comprehensive income for the year (A+B)		**621.01**	**489.74**
Profit for the year attributable to			
- Shareholders of the Company		507.78	481.64
- Non-controlling interests		(23.31)	2.78

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

All amounts in crores of Indian Rupees (₹) except share data and as otherwise stated

Particulars	Note	For the year ended March 31, 2019	For the year ended March 31,2018
Other comprehensive income for the year attributable to			
- Shareholders of the Company		120.74	3.19
- Non-controlling interests		15.80	2.13
Total comprehensive income for the year attributable to			
- Shareholders of the Company		**628.52**	**484.83**
- Non-controlling interests		**(7.51)**	**4.91**
Earnings per equity share (Face value ₹ 2 each)			
- Basic (in ₹)	31	**12.80**	**12.04**
- Diluted (in ₹)		**12.80**	**12.04**
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 Number: 101248W/W-100022

S Sethuraman
Partner
Membership No. 203491

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 22, 2019.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2019

All amounts in crores of Indian Rupees (₹) except share data and as otherwise stated

Particulars	For the year ended March 31, 2019	For the year ended March 31,2018
A. Cash flow from operating activities		
Profit for the year	484.47	484.42
Adjustments for:		
- Income tax expense recognised in profit and loss	138.87	146.15
- Depreciation and amortisation expense	63.36	56.94
- Finance costs	204.15	168.03
- Interest income	(21.80)	(15.06)
- Stock compensation expense	16.71	4.76
- Impairment of goodwill and other intangibles	71.06	-
- Allowance for doubtful receivables	66.94	33.73
- Income received from short-term investments	(2.36)	(1.07)
- Unrealised exchange net gain	0.35	(6.12)
- Gain on sale of property, plant and equipment (net)	(4.02)	(2.62)
Operating profit before working capital changes	**1,017.73**	**869.16**
(Increase) in trade receivables	(57.29)	(977.69)
(Increase) in other assets	(139.52)	(191.55)
(Increase) / decrease in inventories	(653.56)	278.98
Increase in other liabilities	84.78	109.40
Increase in trade payables	1,008.25	243.16
Increase in provisions	9.05	5.35
Cash generated from operations	**1,269.44**	**336.81**
Income taxes paid (net)	(201.00)	(151.19)
Net cash generated from operating activities	**1,068.44**	**185.62**
B. Cash flow from investing activities		
Payment towards acquisition of property, plant and equipment	(30.81)	(38.90)
Payment towards acquisition of other intangible assets	(51.22)	(19.79)
Proceeds from sale of property, plant and equipment and other intangible assets	9.03	25.35
Interest received	19.51	20.00
Income received from short-term investments	1.97	1.07
Loans given to other corporate	-	(2.00)
Loans given to associate	(63.40)	(78.30)
Loans settled by associate	66.30	74.80
Proceeds from sale of mutual fund investments	40.95	114.73
Purchase of mutual fund investments	(44.45)	(113.19)
Changes in bank deposits not treated as cash and cash equivalents	7.27	4.76
Acquisition of subsidary, net of cash and cash equivalents acquired	(33.78)	-
Cash outflow for disposal of subsidiaries	(4.17)	-
Cash outflow for acquisition of additional control in step-down subsidiaries (net)	(11.60)	(7.58)
Net cash used in investing activities	**(94.40)**	**(19.05)**

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2019

All amounts in crores of Indian Rupees (₹) except share data and as otherwise stated

Particulars	For the year ended March 31, 2019	For the year ended March 31,2018
C. Cash flow from financing activities		
Proceeds from short-term borrowings (net)	860.65	801.09
Repayment of short-term borrowings	(1,064.94)	(729.51)
Proceeds from long-term borrowings	17.66	-
Repayment of long-term borrowings	(1.06)	-
Proceeds from allotment of shares under Employee Stock Option Plan, 2008	0.24	2.57
Proceeds from issue of shares in subsidiary to non-controlling interest	-	1.68
Buy-back expenses	(2.29)	-
Buy-back of equity shares	(139.00)	-
Contribution of non-controlling interest upon incorporation of new step-down subsidiaries	-	1.15
Dividends paid (including dividend distribution tax)	(113.14)	(107.46)
Dividend paid by step-down subsidiary to non-controlling shareholders	(4.31)	(3.20)
Finance costs paid	(203.75)	(165.26)
Payment of finance lease obligations	(0.75)	(0.21)
Proceeds from finance lease	-	0.13
Net cash used in financing activities	**(650.69)**	**(199.02)**
Net increase/(decrease) in cash and cash equivalents	**323.35**	**(32.45)**
Cash and cash equivalents at the beginning of the year	**492.09**	**530.13**
Effect of exchange differences on restatement of foreign currency cash and cash equivalents	0.67	(5.59)
Cash and cash equivalents at the end of the year (refer note 12)	**816.11**	**492.09**
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 Number: 101248W/W-100022

S Sethuraman
Partner
Membership No. 203491

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 22, 2019.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

All amounts in crores of Indian Rupees (₹) except share data and as otherwise stated

Particulars	Equity share capital	Other equity										Non-controlling interests	Total equity
		Securities premium	Capital reserve	Statutory reserve	Capital redemption 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
Total comprehensive income for the year ended March 31, 2018													
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	2.13	5.32
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**9.13**	**-**	**(5.94)**	**481.64**	**-**	**484.83**	**4.91**	**489.74**
Transactions with owners, recorded directly in equity													
Contributions by and distributions to owners													
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
Total contributions by and distributions to owners	**0.06**	**2.51**	**-**	**0.25**	**-**	**-**	**-**	**-**	**(107.59)**	**4.76**	**(100.07)**	**(3.20)**	**(103.21)**
Total transactions with owners	**0.06**	**2.51**	**-**	**0.25**	**-**	**-**	**-**	**-**	**(107.59)**	**4.76**	**(100.07)**	**(3.20)**	**(103.21)**
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	(0.12)	-	(0.12)	-	(0.12)
Adjustment of non-controlling interest on disposal of interest in step down subsidiaries	-	-	-	-	-	-	-	-	(2.05)	-	(2.05)	(5.53)	(7.58)
Contribution of non-controlling interest upon incorporation of new step-down subsidiaries	-	-	-	-	-	-	-	-	-	-	-	1.15	1.15
Total changes in ownership interests in subsidiaries	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(2.17)**	**-**	**(2.17)**	**(4.38)**	**(6.55)**
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**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

All amounts in crores of Indian Rupees (₹) except share data and as otherwise stated

Particulars	Equity share capital	Other equity										Non-controlling interests	Total equity
		Securities premium	Capital reserve	Statutory reserve	Capital redemption 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, 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**
Total comprehensive income for the year ended March 31, 2019													
Profit for the year	-	-	-	-	-	-	-	-	507.78	-	507.78	(23.31)	484.47
Other comprehensive income for the year (net of taxes)	-	-	-	-	-	122.87	-	(2.13)	-	-	120.74	15.80	136.54
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**122.87**	**-**	**(2.13)**	**507.78**	**-**	**628.52**	**(7.51)**	**621.01**
Transactions with owners, recorded directly in equity													
Contributions by and distributions to owners													
Allotment of shares under Employee Stock Option Plan, 2008	0.01	0.23	-	-	-	-	-	-	-	-	0.23	-	0.24
Buy-back of shares (including expenses relating to buy-back)	(2.22)	(136.78)	-	-	-	-	-	-	(2.29)	-	(139.07)	-	(141.29)
Creation of capital redemption reserve pursuant to buy- back of shares	-	-	-	-	2.22	-	(2.22)	-	-	-	-	-	-
Stock compensation expense	-	-	-	-	-	-	-	-	-	16.71	16.71	-	16.71
Final dividend paid	-	-	-	-	-	-	-	-	(96.04)	-	(96.04)	-	(96.04)
Dividend distribution tax paid on final dividend	-	-	-	-	-	-	-	-	(20.91)	-	(20.91)	-	(20.91)
Dividend distribution tax credit on account of dividends received from subsidiaries	-	-	-	-	-	-	-	-	3.81	-	3.81	-	3.81
Total contributions by and distributions to owners	**(2.21)**	**(136.55)**	**-**	**-**	**2.22**	**-**	**(2.22)**	**-**	**(115.43)**	**16.71**	**(235.27)**	**-**	**(237.48)**
Acquisition of non-controlling interest	-	-	-	-	-	-	-	-	(4.95)	-	(4.95)	(6.65)	(11.60)
Total transactions with owners	**(2.21)**	**(136.55)**	**-**	**-**	**2.22**	**-**	**(2.22)**	**-**	**(120.38)**	**16.71**	**(240.22)**	**(6.65)**	**(249.08)**
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	(4.31)	-	(4.31)	-	(4.31)
Forward contract entered with non-controlling interests	-	-	-	-	-	-	-	-	(6.36)	-	(6.36)	-	(6.36)
Total changes in ownership interests in subsidiaries	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(10.67)**	**-**	**(10.67)**	**-**	**(10.67)**
Balance as at March 31, 2019	**77.82**	**220.76**	**71.44**	**0.92**	**2.22**	**363.99**	**107.39**	**(10.13)**	**3,050.10**	**21.47**	**3,828.16**	**344.67**	**4,250.65**

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 Number: 101248W/W-100022

S Sethuraman
Partner
Membership No. 203491

Place: Chennai
Date: May 22, 2019.

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

1. Overview

Redington (India) Limited ("the Company / Parent Company"), is a public limited Company domiciled in India, incorporated under the provisions of the Companies Act, 1956 and has its registered office at SPL Guindy House, 95, Mount Road Chennai- 600032, Tamil Nadu, India. The Company's equity shares are listed on the bourses of BSE Limited and National Stock Exchange of India Limited. The Company, its subsidiaries and associate operate in India, Middle East, Turkey, Africa and South Asian countries and are engaged in the business of distribution of Information Technology, mobility and other technology products besides supply chain solutions and after sales services. 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 its 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 2015, 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. The functional currency of the Company's branch in Singapore is United States Dollar (USD). 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 contracts)	Fair value
Stock Appreciation Rights(SARs)	Fair value
Defined benefit liability	Present value of defined benefit obligation

d. 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), the reported income and the 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 recognised in the periods in which the results are known / materialise. Estimates, judgments and assumptions are reviewed on an on-going basis.

Key sources of judgment and estimation uncertainties at the date of the financial statements, which may cause a material adjustment to income and expenditure / the carrying amounts of assets and liabilities are:

(i) Control

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company. 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 return.

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.

NOTES to the Consolidated financial statements for the year ended March 31, 2019

(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 costs in respect of Stock Appreciation Rights (SAR) granted during the previous 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.

(vi) Inventory obsolescence

Inventories are stated at the lower of cost and net realisable value (net of price protection rebates). Adjustments to reduce the cost of inventory to its realisable value, if required, are made at the product group level for estimated excess, obsolescence or impaired balances. Factors influencing these adjustments include changes in demand, rapid technological changes, product life cycle, product pricing, physical deterioration and quality issues. Revisions to these adjustments would be required if these factors differ from the estimates.

(vii) Original Equipment Manufacturer ("OEM") supplier programs

OEM suppliers formulate programs for inventory volume promotion and price protection rebates. Inventory volume promotion programs and price protection rebates are recorded as a reduction in the cost of purchase of traded goods. The rebates are accrued based on the terms of the program and sales of qualifying products. Some of these programs may extend over one or more quarterly reporting periods. The Group tracks vendor promotional programs for volume discounts on a program-by-program basis. Once the program is implemented, the benefit of the program based on the actual volume is recorded as a receivable from vendors with a corresponding reduction in the cost of purchase of traded goods. Actual rebates may vary based on volume or other sales achievement levels, which could result in an increase or reduction in the estimated amounts previously accrued.

(viii) Customer incentive

The Group accrues for rebates for its customers based on contracted percentages on the total sales made during the year and based on fulfilment of the related obligations, which require management to ascertain the target met by its customers during the period of agreement.

(ix) Expected credit losses

The Group provide for the changes in expected credit losses at each reporting period to reflect changes in credit risk since initial recognition of the financial assets

Expected credit losses is determined as the probability-weighted estimate of credit losses based on historical credit loss experience and adjusted for forward looking information.

(x) Impairment of goodwill and other intangibles

The Group carries out an impairment review whenever events or changes in circumstances indicate that the carrying value of goodwill and intangible assets may not be recoverable. In addition, the Group carries out an annual impairment review as required by Ind AS 36.

In determining whether goodwill and intangible assets are impaired an estimation of the value in use of the cash-generating units to which goodwill and intangible assets have been allocated. is required The value in use calculation requires the management to estimate the future cash flows expected to arise from cash-generating unit (CGU) and a suitable discount rate in order to calculate present value

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's which the Company has not applied in these financial statements as they are effective for annual periods beginning on or after April 1, 2019. The Company plans to apply these standards from their respective applicable dates.

Ind AS 116 – Leases

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The Group is in the process of assessing the impact of Ind AS 116 on its consolidated financial statements.

Ind AS 12 Income taxes

Income-tax consequence of distribution of profits (i.e. dividends), including payments on financial instruments classified as equity, should be recognised when a liability to pay dividend is recognised.

The income tax consequence should be recognised in Statement of Profit and loss, other comprehensive income (OCI) or equity according to where the past transactions or events that generated distributable profits were originally recognised.

Appendix C has been added to Ind AS 12 which seeks to bring clarity to the accounting for uncertainties on income tax treatments that are yet to be accepted by tax authorities and to reflect it in the measurement of current and deferred taxes

The Group is in the process of assessing the impact of the above amendments on its consolidated financial statements.

Ind AS 109 – Prepayment features with negative compensation

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The Group doesn't expect to have any impact of the amendment on its standalone financial statements.

Ind AS 19 – Plan amendment, curtailment or settlement

The amendments provide that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the remeasurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Group does not expect to have any impact of the amendment on its consolidated financial statements.

Ind AS 23 – Borrowing costs

The amendments provide that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Group doesn't expect to have any impact of the amendment on its consolidated financial statements.

Ind AS 28 – Long-term interests in associates and joint ventures

The amendments provide that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. The Group does not expect to have any impact of the amendment on its consolidated financial statements.

Ind AS 103 – Business Combinations and Ind AS 111 – Joint Arrangements

The amendments to Ind AS 103 relating to re-measurement provide that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business. The Group will apply the pronouncement if and when it obtains control / joint control of a business that is a joint operation.

NOTES to the Consolidated financial statements for the year ended March 31, 2019

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, 2019 and March 31, 2018)
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	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 Ltd	Importer and exporter of computers, computer peripherals and components.	Singapore	100

B. Step-down subsidiaries

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, 2019 and March 31, 2018	
1	Redington Gulf FZE	Distribution of information technology products, providing hardware support and maintenance services.	Dubai, U.A.E.	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, U.A.E.	100	100

NOTES to the Consolidated financial statements for the year ended March 31, 2019

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, 2019 and March 31, 2018	
7	Redington Middle East LLC (refer note (a) below)	Distribution of information technology products, providing hardware support and maintenance services.	Dubai, U.A.E.	49	100
8	Ensure Services Arabia LLC	Providing hardware support and maintenance services.	Riyadh, Kingdom of Saudi Arabia	100	100
9	Redington Africa Distribution FZE	Distribution of information technology and telecommunication products.	Dubai, U.A.E.	100	100
10	Redington Qatar WLL (refer note (a) below)	Servicing of information technology products	Qatar	49	100
11	Ensure Services Bahrain S.P.C. (formerly Redington Bahrain S.P.C.)	Providing hardware support and maintenance services.	Manama, Kingdom of Bahrain	100	100
12	Redington Qatar Distribution WLL (refer note (a) below)	Wholesale distribution of information technology products and spare parts.	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, U.A.E.	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 Ltd.	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

NOTES to the Consolidated financial statements for the year ended March 31, 2019

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, 2019 and March 31, 2018	
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 S.A.R.L. (RTHS)	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 (c) below)	Distribution of information technology and telecommunication products.	Istanbul, Turkey	49.40	49.40
23	Arena International FZE (refer note (c) below)	Computer software trading, computer equipment requisites trading, telephones and telecommunication equipment trading, computer and data processing requisites trading.	Dubai, U.A.E.	49.40	49.40
24	Redington Bangladesh Limited	Marketing, selling and maintenance of computer hardware, accessories and spare parts	Bangladesh	99	100
25	Redington SL Private Limited	Wholesale distribution of information technology products and spare parts	Sri Lanka	100	100
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, U.A.E.	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, U.A.E.	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

NOTES to the Consolidated financial statements for the year ended March 31, 2019

S.No.	Name of the Company	Principal business activity	Country of incorporation	Ownership interest of the Group %	Beneficial interest of the Group %
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 logistic services.	Dubai, U.A.E.	49	100
37	Ensure Technical Services Morocco Limited (Sarl)	Providing hardware support and maintenance services.	Casablanca, Morocco	100	100
38	Redington Senegal Limited S.A.R.L.	Distribution of information technology and telecommunication products.	Dakar, Senegal	100	100
39	Redington Saudi Arabia Distribution Company	Distribution of information technology and telecommunication products.	Riyadh, Saudi Arabia	75	100
40	PayNet Odeme Hizmetleri A.S. (refer note (c) below)	Payment intermediation services	Istanbul, Turkey	49.40	49.40
41	Sensonet Teknoloji Elektronık ve Bilisim Hızmetlerı Sanayı Ve Tıcaret A.S. (refer note (c) below)	Distribution of information technology and telecommunication products including surveillance equipment.	Istanbul, Turkey	49.40	49.40
42	CDW International Trading FZCO	Trading of information technology and telecommunication products.	Dubai, U.A.E.	100	100
43	RNDC Alliance West Africa Limited	Distribution of information technology and telecommunication products.	Lagos, Nigeria	100	100
44	Linkplus Bilgisayar Sistemleri Sanayi ve Ticaret A.S.	Distribution of information technology products.	Istanbul, Turkey	100 (March 31,2018: 90)	100 (March 31,2018: 90)
45	Ensure Middle East Technology Solutions LLC (refer note (a) below)	Providing hardware support and maintenance services.	Abu Dhabi, U.A.E.	49	100
46	Rajprotim Supply Chain Solutions Limited(refer note (d) below)	Providing Supply chain Management Services.	India	88 (March 31,2018: 76)	88 (March 31,2018: 76)

NOTES to the Consolidated financial statements for the year ended March 31, 2019

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, 2019 and March 31, 2018	
47	Proconnect Saudi LLC	Providing logistics services.	Riyadh, Saudi Arabia	100	100
48	Redserv Business Solutions Private Limited (refer note (b) below)	Business process consulting and outsourcing.	Chennai, India	100	100
49	Redington Distribution Company LLC	Distribution of information technology and telecommunication products.	Cairo, Egypt	99	100
50	Citrus Consulting Services FZ LLC	Providing hardware support and maintenance service.	Dubai, U.A.E.	84.80 (March 31,2018: 60)	84.80 (March 31,2018: 60)
51	Arena Mobile Iletisim Hizmetteri ve Turketici Elektronigi Sanayi ve Ticaret A.S. (refer note (c) below)	Wholesale trade of mobile phones and other mobile devices.	Istanbul, Turkey	49.40	49.40
52	Online Elektronik Ticaret Hizmetleri A.S. (refer note (c) below)	Online electronics retail and market.	Istanbul, Turkey	44.46	44.46
53	Paynet (Kibris) Odeme Hizmetleri Limited (refer note (c) below)	Payment intermediation services.	Gazimagusa, Cyprus	49.40	49.40
54	Ensure Services Limited	Providing hardware support and maintenance services.	Cairo, Egypt	99	100
55	Redington Cote d'Ivoire SARL	Distribution of information technology and telecommunication products.	Abidjan, Cote d'Ivoire	100	100
56	Africa Joint Technical Services (refer note (e) below)	Providing hardware support and maintenance services.	Tripoli, Libya	65	100
57	Redington Angola Ltd. (refer note (e) 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, 2019

C. Step-down subsidiaries acquired 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, 2019	
1.	Auroma Logistics Private Limited	Primarily engaged in providing third party logistics solutions (3PL) comprising of warehouse management, handling of goods and transportation of goods.	India	90	90

Notes

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. 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 A.S. (Arena). Consequently Arena and its subsidiaries are consolidated in the consolidated financial statements.

d. ProConnect Supply Chain Solutions Limited (ProConnect), a wholly-owned subsidiary had acquired and additional 12% stake in Rajprotim Supply Chain Solutions Limited

e. Operations ceased during the financial year 2016-17.

D. Associate of the Company

Name of the Company	Country of incorporation	Ownership / Beneficial interest % (As at March 31, 2019 and March 31, 2018)
Redington (India) Investments Limited *	India	47.62

E. Subsidiary of Associate

Name of the Company	Country of incorporation	Ownership / Beneficial interest % (As at March 31, 2019 and March 31, 2018)
Currents Technology Retail (India) Limited *	India	47.62

* In line with Ind AS 28, loss absorbed till March 31, 2019 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, 2019 is ₹1.93 Crores (Previous Year: ₹2.32 Crores) and cumulative loss in line with equity method of accounting as at March 31, 2019 is ₹13.11Crores (Previous Year: ₹11.29 Crores).

4. Summary of significant accounting policies

(a) Basis of Consolidation

The consolidated financial statements encompass the standalone financial statements of the Company and its subsidiaries for the year ended March 31, 2019. These consolidated financial statements have been prepared in accordance with Ind AS 110, "Consolidated financial statements". These Consolidated financial statements also include results of an Associate and its subsidiary accounted under equity method as specified in the Ind AS 28 "Investments in Associates".

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, 2019

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 (NCI) are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the NCI are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to shareholders of the Company.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in profit or loss.

The audited financial statements of the Company and all its subsidiaries and step-down subsidiaries used 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, Ensure Support Services (India) Limited and consolidated financial statements of ProConnect Supply Chain Solutions Limited are prepared in accordance with Ind AS.

b. Consolidated financial statements of Redington International Mauritius Limited are prepared in accordance with International Financial Reporting Standards (IFRS).

c. 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 their 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. 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.

(b) Business combinations

In accordance with Ind AS 103, the Group accounts for the business combinations using the acquisition method when control is transferred to the Group. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in Other Comprehensive Income (OCI) and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in profit or loss.

If a business combination is achieved in stages, any previously held equity interest in the acquiree is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for this purpose comparatives are revised. The assets and liabilities acquired are recognised at their carrying amounts. The identity of the reserves is preserved and they appear in the consolidated financial statements of the Group in the same form in which they appeared in the financial statements of the acquired entity. The difference, if any, between the consideration and the amount of share capital of the acquired entity is transferred to capital reserve.

(c) 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 recognised amounts of the acquiree's identifiable net assets.

Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

(d) 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 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 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

i. Depreciable amount of property, plant and equipment is the cost of an asset, less its estimated residual value.

ii. 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 and is recognized in the Consolidated Statement of Profit and Loss. Freehold land is not depreciated.

Class of asset	Years
Buildings	20 - 40
Plant and equipment	5 - 10
Furniture and fixtures	4 - 10
Office equipment	5 - 8
Computers	1 - 5
Vehicles	3 - 10

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

iv. 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.

v. The estimated useful life, residual value and the depreciation method are reviewed at the end of each financial year.

Intangible assets

Intangible assets acquired outside of a business combination

Other intangible assets are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and impairment losses, if any.

The intangible assets, that are not yet ready for their intended use are carried at cost and are reflected under intangible assets under development. Direct cost associated in developing the intangible asset are capitalized when the following criteria are met

- It is technically feasible to complete the intangible asset so that it will be available for use,
- Management intends to complete the intangible asset and use,
- There is ability to use the intangible asset,
- There is an identifiable asset that will be generate expected future economic benefits and
- There is an ability to measure reliably the expenditure attributable to the intangible asset during its development.

Intangible assets are amortised over the estimated useful lives, using straight line method. The estimated useful lives are as follows:

Class of asset	**Years**
Software	3-5

NOTES to the Consolidated financial statements for the year ended March 31, 2019

The estimated useful life of the intangible assets, residual value and the amortisation method are reviewed at the end of each financial year and the amortisation 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. 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 amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Intangible assets are amortised 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	7
Contract based intangible assets	4-10

An intangible asset with indefinite useful life is not amortised and is tested for impairment annually.

The estimated useful life of the intangible assets, residual value and the amortisation method are reviewed at the end of each financial year and the amortisation 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. 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 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 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.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Consolidated Statement of Profit and Loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Goodwill and 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.

(e) Leases

At inception of an arrangement, it is determined whether the arrangement is or contains a lease.

At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values. If it is concluded for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. The liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the incremental borrowing rate.

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 unless 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.

(f) 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 of inventories in the ordinary course of business, less the costs necessary to make the sale.

(g) 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 operations

The assets and liabilities of foreign operations (subsidiaries and branch) including goodwill and fair value adjustments arising on acquisition, are translated into Indian Rupees, the functional currency of the Company, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into Indian Rupees 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 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 Consolidated Statement of Profit or Loss.

(h) Revenue recognition

The Group has adopted Ind AS 115, Revenue from Contracts with Customers (which replaces earlier revenue recognition standards) with effect from April 1, 2018. The core principle

NOTES to the Consolidated financial statements for the year ended March 31, 2019

of this standard is that the Group shall recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Under Ind AS 115, the Group recognizes 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 Group has applied Ind AS 115 retrospectively to each of the prior reporting periods. Accordingly, the information presented for the year ended March 31, 2018 has been restated

Revenue from sale of products or services is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration expected to be received in exchange for those products or services.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

(i) 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.

(j) Employee benefits

i. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

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.

The calculation of defined benefit obligation is determined annually by a qualified actuary using the projected unit credit method as at each balance sheet 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. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expenses related to defined benefit plan are recognised 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 Consolidated 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.

(k) Employee share based payments

Equity-settled share-based payments are measured at the fair value on the grant date and are recognised as employee benefits expense in the Consolidated Statement of Profit and Loss 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) Warranties

The Group's Original Equipment Manufacturer ("OEM") warrants the products distributed by the Group and these are assurance warranties provided in the normal course of business relating to product performance. The Group generally does not independently warrant the products it distributes and management does not consider that any provision for warranties or claims is required.

(m) 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 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. 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 of 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 recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax is recognised 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 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 utilised.

The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised.

Deferred tax is not recognised 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 recognised if the temporary difference arises from the initial recognition of goodwill.

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 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 recognised 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.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

(n) Provisions, Contingent liabilities

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, 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.

NOTES to the Consolidated financial statements for the year ended March 31, 2019

Contingent liability is disclosed for all:

i. Possible obligations 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 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.

(o) 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

(p) 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.

Other bank balances comprises amounts which are restricted in nature held as margin money against guarantee and balances held in unpaid dividend bank accounts.

(q) Cash Flow Statement

Cash flows are reported using the indirect method, whereby consolidated 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 Group are segregated based on the nature of the transactions.

(r) Earnings per share

Basic earnings per share is computed by dividing the consolidated profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the consolidated profit or loss attributable to equity shareholders of the Company 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 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 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.

(s) 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 Consolidated Statement of Changes in Equity.

(t) 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 recognised 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 recognised in Consolidated Statement of Profit and Loss.

(u) Fair value measurement

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and 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 measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

The Group 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 as 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.

(v) Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

(w) 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 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 recognised 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

- Amortised cost
- Fair value through profit and loss

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.

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 companies in the Group 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.

Financial assets at FVTPL – These are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in the Consolidated Statement of 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 the Consolidated Statement of Profit and Loss. Any gain or loss on de-recognition is recognised in 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 amortised cost or FVTPL.

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 on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the Consolidated

Statement of Profit and Loss.

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 the Consolidated Statement of Profit and Loss.

De-recognition

Financial assets

Financial assets are de-recognised 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 the Group does not retain control of the financial asset.

The transaction whereby, assets recognised 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-recognsied.

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 Consolidated Statement of Profit and Loss.

Financial liabilities

Financial liability is de-recognised when its contractual obligations are discharged 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 Consolidated Statement of Profit and Loss.

Financial liability is also de-recognised 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 the Consolidated Statement of Profit and Loss.

Offsetting

Financial assets and financial liabilities are offset and net amount presented in the Consolidated Balance Sheet when, and only when the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or a realise the asset and settle the liability simultaneously.

Impairment of financial assets

The Group recognises loss allowances for expected credit loss on financial assets measured at amortised cost. At each reporting date, the Group assesses 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 Group measures loss allowance at an amount equal to lifetime expected credit losses except for bank balances which are measured as 12 months 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 expected credit losses are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month expected credit losses is a portion of the expected credit loss which results from default events that are possible within 12 months after the reporting date.

Measurement of Expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses.

The impairment losses and reversals are recognised in the Consolidated 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.

(x) 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 Consolidated financial statements for the year ended March 31, 2019

5 (a) Property, plant and equipment

(₹ in Crores)

Particulars	Gross carrying value						Accumulated depreciation					Net carrying value	
	As at April 1, 2018	Additions	Acquisitions through business combination*	Deletions	Translation adjustments	As at March 31, 2019	As at April 1, 2018	For the year	Deletions	Translation adjustments	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Land													
Current year	17.85	-	-	-	-	17.85	-	-	-	-	-	**17.85**	***17.85***
Previous year	*16.92*	*0.93*	-	-	-	*17.85*	-	-	-	-	-	***17.85***	***16.92***
Buildings**													
Current year	91.88	0.31	-	0.14	2.67	94.72	15.82	5.53	0.11	1.00	22.24	**72.48**	***76.06***
Previous 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***
Plant and Equipment													
Current year	22.62	16.76	0.23	0.58	1.12	40.15	11.37	6.33	0.41	0.81	18.10	**22.05**	***11.25***
Previous 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***
Furniture and Fixtures													
Current year	62.09	8.73	0.09	15.60	6.89	62.20	24.87	10.38	13.79	5.21	26.67	**35.53**	***37.22***
Previous 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***
Office Equipment													
Current year	38.15	3.59	0.60	2.72	3.64	43.26	20.40	5.74	2.26	3.00	26.88	**16.38**	***17.75***
Previous 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***
Computers													
Current year	39.89	8.93	0.02	4.88	1.71	45.67	22.64	10.56	3.89	1.22	30.53	**15.14**	***17.25***
Previous 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***
Vehicles													
Current year	13.87	3.08	0.10	5.27	0.73	12.51	5.26	2.85	3.63	0.59	5.07	**7.44**	***8.61***
Previous 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***
Tangible assets-Total													
Current year	**286.35**	**41.40**	**1.04**	**29.19**	**16.76**	**316.36**	**100.36**	**41.39**	**24.09**	**11.83**	**129.49**	**186.87**	***185.99***
Previous 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***

NOTES to the Consolidated financial statements for the year ended March 31, 2019

*Refer note 43

** Buildings include a distribution centre in Jebel Ali Free Zone which is constructed on land leased for a period of 20 years expiring in 2027.

Assets under finance leases

One of the Company's Indian subsidiary, ProConnect has acquired a set of warehouse racks amounting to ₹6.12 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.

During the previous financial year, ProConnect had 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.

The gross and net carrying amounts of assets acquired under finance lease are as below.

(₹ in Crores)

Particulars	Plant and machinery	Office equipment	Furniture and fixtures	Computers	Total
Cost					
As at March 31, 2018	-	-	0.23	-	0.23
As at March 31, 2019	4.60	0.60	0.23	0.92	6.35
Accumulated depreciation					
As at March 31, 2018	-	-	(0.02)	-	(0.02)
As at March 31, 2019	(0.35)	(0.09)	(0.06)	(0.07)	(0.57)
Net carrying amount					
As at March 31, 2018	**-**	**-**	**0.21**	**-**	**0.21**
As at March 31, 2019	**4.25**	**0.51**	**0.17**	**0.85**	**5.78**

5. (b) Intangible assets

(₹ in Crores)

Particulars	Gross carrying value						Accumulated amortisation						Net carrying value	
	As at April 1, 2018	Additions	Acquisitions through business combination*	Deletions	Translation adjustments	As at March 31, 2019	As at April 1, 2018	For the year	Deletions	Impairment loss	Translation adjustments	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Software														
Current year	57.79	24.68	-	-	4.98	87.45	30.59	19.83	-	-	3.43	53.85	**33.60**	***27.20***
Previous year	*41.19*	*16.11*	-	*0.01*	*0.50*	*57.79*	*17.66*	*12.58*	-	-	*0.35*	*30.59*	***27.20***	***23.53***
Non-compete fees														
Current year	2.93	-	-	-	-	2.93	2.93	-	-	-	-	2.93	-	-
Previous year	*2.93*	-	-	-	-	*2.93*	*2.93*	-	-	-	-	*2.93*	-	-
Trade name (refer note 40)														
Current year	220.63	-	-	-	13.47	234.10	-	-	-	51.04	(0.11)	50.93	**183.17**	***220.63***
Previous year	*219.53*	-	-	-	*1.10*	*220.63*	-	-			-	-	***220.63***	***219.53***
Customer relationship														
Current year	18.55		15.01	-	1.23	34.79	7.30	1.14	-	-	0.54	8.98	**25.81**	***11.25***
Previous year	*18.46*	-	-	-	*0.09*	*18.55*	*3.76*	*1.74*	-	-	*1.80*	*7.30*	***11.25***	***14.70***
Contract based intangible assets														
Current year	8.62	0.02	-	-	-	8.64	4.82	1.00	-	-	-	5.82	**2.82**	***3.80***
Previous year	*4.94*	*3.68*	-	-	-	*8.62*	*3.82*	*1.00*	-	-	-	*4.82*	***3.80***	***1.12***
Intangible assets-Total														
Current year	**308.52**	**24.70**	**15.01**	**-**	**19.68**	**367.91**	**45.64**	**21.97**	**-**	**51.04**	**3.86**	**122.51**	**245.40**	***262.88***
Previous year	***287.05***	***19.79***		***0.01***	***1.69***	***308.52***	***28.17***	***15.32***	**-**	**-**	***2.15***	***45.64***	***262.88***	***258.88***

NOTES to the Consolidated financial statements for the year ended March 31, 2019

5 (c). Carrying amounts of intangible assets with finite and indefinite useful lives are as follows:

(₹ in Crores)

Particulars	As at March 31, 2019	As at March 31, 2018
With finite useful life	62.23	42.25
With indefinite useful life	183.17	220.63
Total	**245.40**	**262.88**

5 (d). Intangible assets under development represents the cost incurred towards the implementation of a new ERP system (SAP), including the cost of license. These costs would be capitalized as intangible assets in the subsequent year on implementation of the new ERP system (SAP).

6. Goodwill

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
Balance at the beginning of the year	**21.27**	**21.16**
Add: Additions through business combinations (refer note 43)	19.34	-
Less: Impairment loss (refer note 40)	(20.02)	-
Add: Currency translation adjustment	1.44	0.11
Balance at the end of the year	**22.03**	**21.27**

Goodwill is tested for impairment for the following cash-generating units to which such goodwill has been allocated on annual basis and is not amortised.

The below table gives the breakup of goodwill for the respective cash-generating units.

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
Arena Bilgisayar Sanayi ve Ticaret A.S. (refer note 40)	-	18.83
Linkplus Bilgisayar Sistemleri Sanayi ve Ticaret A.S. ("Linkplus")	2.69	2.44
Auroma Logistics Private Limited ("Auroma")*	19.34	-
Total	**22.03**	**21.27**

*Refer note 43

The recoverable amount of the cash-generating units (goodwill and trade name) related to Arena and Linkplus 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 2.0 % (Previous year: 1.5%) for Arena and 3 % (Previous year: 3%) for Linkplus and 5% (Previous year: NIL) for Auroma is applied, at a weighted average cost of capital of 19.05% (Previous year: 14.06%) for Arena and 30.86 % (Previous year: 22.03%) for Linkplus and 21% (Previous year: Nil) for Auroma per annum.

Set out below is an analysis on the total impairment loss for the year ended related to Arena, Linkplus and Auroma if the following factors have been increased or decreased by 0.5% and all other variables were constant:

(₹ in Crores)

Particulars	Increase in Rate	Decrease in Rate
Revenue growth rate	50.06	84.10
Discount rate	92.83	48.64
Terminal growth rate	70.04	72.67

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 entities of the Group ranges between 10% and 30%.

(a) Income tax expense recognised during the year

(₹ in Crores)

Particulars	For the year ended March 31, 2019		For the year ended March 31, 2018	
	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	157.55	-	150.26	-
Deferred tax	(18.68)	(1.16)	(4.11)	(3.18)
Total	**138.87**	**(1.16)**	**146.15**	**(3.18)**

(b) Movement in income taxes (assets)

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
Balance at the beginning of the year	**57.52**	**58.14**
Less: Provision during the year	(97.10)	(108.30)
Add: Taxes paid (net of refund received)	144.70	107.68
Balance at the end of the year	**105.12**	**57.52**

(c) Movement in income taxes (liabilities)

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
Balance at the beginning of the year	**26.21**	**26.44**
Add: Provision during the year	60.45	41.96
Less: Taxes paid (net of refund received)	(56.30)	(43.51)
Currency translation adjustment	2.08	1.32
Balance at the end of the year	**32.44**	**26.21**

(d) Reconciliation of effective tax rate

(₹ in Crores)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit before tax (a)	623.34	630.57
Enacted tax rate in India (b)	34.94%	34.61%
Income tax expense (a*b)	217.79	218.24
Effect of differences in tax rates, etc. of subsidiaries operating in other jurisdictions/ Exceptional items	(75.75)	(69.61)
Effect of exempted income	(2.34)	(3.18)
Effect of Chapter VIA deduction of Income-tax Act,1961	(1.00)	-
Effect of tax incentives	(4.49)	(5.68)
Effect of non-deductible expense	2.74	1.93
Impact of change in tax rates	(0.11)	0.42
Changes in estimates related to prior years	0.19	(0.25)
Others	1.84	4.28
Income tax expense recognized in profit and loss	**138.87**	**146.15**

NOTES to the Consolidated financial statements for the year ended March 31, 2019

8 Deferred taxes

Break-up of recognized deferred tax assets and movements in temporary differences

(i)For the year ended March 31, 2019

(₹ in Crores)

Particulars	Balance at the beginning of the year	Recognised in the Statement of Profit and Loss	Recognised in the other comprehensive income	Acquisitions through Business combination*	Currency translation adjustment	Balance at the end of the year
Deferred tax assets						
Allowance for doubtful trade receivables	11.14	12.83	-	-	0.07	24.04
Gratuity	7.24	(0.14)	1.16	-	0.09	8.35
Compensated absences	1.46	0.38	-	0.20	-	2.04
Property, plant and equipment and other intangible assets	2.76	(0.94)	-	0.03	(0.48)	1.37
Others	2.50	1.85	-	-	(0.01)	4.34
Total	**25.10**	**13.98**	**1.16**	**0.23**	**(0.33)**	**40.14**

*Refer note 43

(ii) For the year ended March 31, 2018

(₹ in Crores)

Particulars	Balance at the beginning of the year	Recognised in the Statement of Profit and Loss	Recognised in the other comprehensive income	Currency translation adjustment	Balance at the end of the year
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
Property, plant and equipment and other intangible assets	(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**

Break-up of deferred tax liabilities and movements in temporary differences

For the year ended March 31, 2019

(₹ in Crores)

Particulars	Balance at the beginning of the year	Recognised in the Statement of Profit and Loss	Currency translation adjustment	Acquisitions through Business combination	Balance at the end of the year
Gratuity	-	(1.67)	-	-	(1.67)
Property, plant and equipment and other intangible assets	-	0.11	-	4.37	4.48
Others	1.49	(3.14)	0.37	-	(1.28)
Total	**1.49**	**(4.70)**	**0.37**	**4.37**	**1.53**

For the year ended March 31, 2018

(₹ in Crores)

Particulars	Balance at the beginning of the year	Recognised in the Statement of Profit and Loss	Currency translation adjustment	Balance at the end of the year
Deferred tax liability				
Others	-	(0.97)	(0.52)	**(1.49)**

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 3- 7 years.

Unrecognised deferred tax liabilities

As at March 31, 2019 a deferred tax liability in respect of temporary differences related to an investments in subsidiary has not been recognised as the Company controls the dividend policy of its subsidiaries i.e. the Group controls the timing of reversal of the related taxable temporary differences and management is satisfied that they will not reverse in the foreseeable future.

9. Other non-current assets

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
Unsecured and considered good		
Capital advances	0.29	1.93
Receivable from Government authorities	86.14	41.19
Others	2.59	1.95
Total	**89.02**	**45.07**

10. Inventories

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
Trading stocks	3,562.28	2,950.07
Goods in transit	243.43	112.48
Service spares	53.46	44.07
Total	**3,859.17**	**3,106.62**

Also refer note 20.

11. Trade receivables

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
Unsecured		
Considered good	6,278.56	6,041.93
Considered doubtful/Credit impaired	187.04	139.25
	6,465.60	**6,181.18**
Less: Allowance for doubtful trade receivables	(187.04)	(139.25)
Total trade receivables	**6,278.56**	**6,041.93**
Of the above, amount receivable from related parties (refer note 37)	14.23	17.64

Also refer note 20.

NOTES to the Consolidated financial statements for the year ended March 31, 2019

12. (a) Cash and cash equivalents

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
Cash on hand	18.34	3.15
Balance in current accounts	721.56	455.86
Short-term deposits*	126.74	68.98
Cash and cash equivalents as per Consolidated Balance Sheet	**866.64**	**527.99**
Less: Bank overdrafts used for cash management purposes	(50.53)	(35.90)
Cash and cash equivalents as per the Consolidated Statement of Cash Flows	**816.11**	**492.09**

* Short-term deposits have an original maturity period of 3 months or less

(b) Other bank balances

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
(i) In deposit accounts	1.49	3.77
(ii) In earmarked accounts		
a. Margin money with banks*	8.96	9.41
b. Unclaimed dividend	0.10	0.10
Total	**10.55**	**13.28**

* 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, 2019	March 31, 2018
Unsecured, considered good		
Loans to related parties		
Currents Technology Retail (India) Limited	32.00	34.90
Other loans		
Loans to body corporates	2.00	2.00
	34.00	**36.90**
Secured, considered good		
Other loans		
Loans to body corporates	10.00	10.00
	10.00	**10.00**
Total	**44.00**	**46.90**

The above loans are given for working capital purposes.

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

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
Currents Technology Retail (India) Limited	32.00	34.90
Total	**32.00**	**34.90**

NOTES to the Consolidated financial statements for the year ended March 31, 2019

14. Other financial assets

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
Current		
Unsecured, considered good		
Deposits	29.96	24.13
Current maturities of finance lease receivable	0.85	0.45
Derivative financial asset (refer note 34)	-	1.69
Others	233.41	152.42
Total	**264.22**	**178.69**
Non-current		
Unsecured, considered good		
Deposits	20.23	12.58
Finance lease receivable	4.59	4.99
Others	0.90	3.60
Total	**25.72**	**21.17**

Finance lease receivable as at March 31, 2019 is as follows:

(₹ in Crores)

Particulars	Future minimum lease payments (MLP)	Interest element of MLP	Present value of MLP
Within one year	1.46	0.61	0.85
Between one and five years	4.60	1.63	2.97
More than five years	1.82	0.20	1.62
Total	**7.88**	**2.44**	**5.44**

Finance lease receivable as at March 31, 2018 is as follows:

(₹ in Crores)

Particulars	Future minimum lease payments (MLP)	Interest element 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**

15. Investments

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
Mutual funds, unquoted at FVTPL		
ICICI Prudential Money Market Fund - Direct Plan-Growth	7.03	3.52
Total (refer note 34)	**7.03**	**3.52**

NOTES to the Consolidated financial statements for the year ended March 31, 2019

16. Other current assets

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
Unsecured, considered good		
Interest accrued on bank deposits	0.27	1.57
Advances to employees	2.75	3.53
Prepayments	51.40	34.02
Receivable from Government authorities	211.42	190.72
Advances to suppliers	72.54	76.64
Total	**338.38**	**306.48**

17. 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, 2019	March 31, 2018
Authorized capital 425,000,000 (previous year: 425,000,000) equity shares of ₹2/- each	**85.00**	**85.00**
Issued, subscribed and fully paid up 389,081,315 (previous year: 400,172,685) equity shares of ₹2/- each fully paid up	77.82	80.03
Total	**77.82**	**80.03**

Reconciliation of the number of shares outstanding and amount of share capital at the beginning and at the end of the year

Particulars	For the year ended March 31, 2019		For the year ended March 31, 2018	
	No. of shares	₹ in Crores	No. of shares	₹ in Crores
At the beginning of the year	400,172,685	80.03	399,848,460	79.97
Allotment of shares under Employee Stock Option Plan, 2008 during the year	28,630	0.01	3,24,225	0.06
Shares extinguished on Buy-back (refer note 45)	(11,120,000)	(2.22)	-	-
Outstanding at the end of the year	**389,081,315**	**77.82**	**400,172,685**	**80.03**

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.

For details of dividends declared subsequent to balance sheet date refer note 47.

Equity share movement during 5 years preceding March 31, 2019

11,120,000 equity shares of ₹ 2 each were extinguished on buy-back by the company pursuant to a Letter of Offer made to all eligible shareholders of the company at ₹125 per equity share. The equity shares bought back were extinguished on December 7, 2018.

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

Particulars	March 31, 2019	
	No of shares held	% of Share holding
Synnex Mauritius Limited	94,295,940	24.24
Marina IV (Singapore) Pte.Ltd	39,425,695	10.13
ICICI Prudential Life Insurance Company	21,577,719	5.55
Franklin Templeton Investment Funds	20,045,105	5.15
HDFC Trustee Company Limited	35,135,559	9.03

Particulars	March 31, 2018	
	No of shares held	% of Share holding
Synnex Mauritius Limited	94,295,940	23.56
Marina IV (Singapore) Pte.Ltd	39,425,695	9.85
ICICI Prudential Life Insurance Company	28,074,785	7.02
HDFC Trustee Company Limited	35,418,802	8.85

Shares reserved for issue under Employee Stock Option Plan, 2008 and Stock Appreciation Right Scheme, 2017:

Particulars	March 31, 2019		March 31, 2018	
	Number of shares	₹ in Crores	Number of shares	₹ in Crores
a. Employee Stock Option Plan, 2008	19,095	0.01	61,460	0.01
b. Stock Appreciation Right Scheme, 2017	8,681,681	1.74	8,681,681	1.74

Capital management

The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balance.

The capital structure of the Group consists of debt and equity (equity includes non-controlling interest and excludes Goodwill). 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, 2019	March 31, 2018
Debt- Current	1282.86	1453.56
Debt- Non- current	24.54	4.23
Less: Cash and cash equivalents and other bank balances	877.19	541.27
Net debt (A)	**430.21**	**916.52**
Total equity	4,250.65	3,889.39
Less: Goodwill	(22.03)	(21.27)
Adjusted equity (B)	**4,228.62**	**3,868.12**
Net debt / equity ratio (A/B)	**0.10**	**0.24**

NOTES to the Consolidated financial statements for the year ended March 31, 2019

18. Other equity

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
(a) Securities premium		
Opening balance	357.31	354.80
Add: Premium on allotment of shares under Employee Stock Option Plan, 2008 issued during the year	0.23	2.51
Less: Premium on buyback of shares during the year (refer note 45)	(136.78)	-
Balance at the end of the year	**220.76**	**357.31**

Securities premium is used to record the premium received on issue of shares.

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
(b) Capital reserve		
Opening balance	71.44	71.44
Balance at the end of the year	**71.44**	**71.44**

Capital reserve represents the excess of book value of net assets over the purchase consideration paid for entities.

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
(c) Statutory reserves		
Opening balance	0.92	0.67
Add: Transfer from surplus in the Consolidated Statement of Profit and Loss	-	0.25
Balance at the end of the year	**0.92**	**0.92**

Statutory reserves are reserves required by the local laws of the countries where certain 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, 2019	March 31, 2018
(d) Capital redemption reserve		
Opening balance	-	-
Transfer from general reserve (refer note 45)	2.22	-
Balance at the end of the year	**2.22**	**-**

Capital redemption reserve is created to the extent of the nominal value of the share capital extinguished on buyback of Company's purchase of its own shares in accordance with Section 69 of the Companies Act, 2013.

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
(e) Foreign currency translation reserve		
Opening balance	241.12	231.99
Movement during the year	122.87	9.13
Balance at the end of the year	**363.99**	**241.12**

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, 2019	March 31, 2018
(f) General reserve		
Opening balance	109.61	109.61
Add: Transfer to capital redemption reserve	(2.22)	-
Balance at the end of the year	**107.39**	**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, 2019	March 31, 2018
(g) Re-measurement of defined benefit obligation		
Opening balance	(8.00)	(2.06)
Movement during the year	(2.13)	(5.94)
Balance at the end of the year	**(10.13)**	**(8.00)**

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 Consolidated Statement of Profit and Loss. This reserve is not a distributable reserve.

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
(h) Surplus in the Consolidated Statement of Profit and Loss		
Opening balance	2,673.37	2,301.49
Add: Profit for the year	507.78	481.64
Less: Buy-back of shares (including expenses relating to buy-back) (refer note 45)	(2.29)	-
Less: Final dividend paid	(96.04)	(91.96)
Less: Dividend distribution tax on dividend paid	(20.91)	(19.78)
Add: Dividend distribution tax credit on account of dividends received from subsidiaries	3.81	4.40
Less: Dividend paid to non-controlling interest	(4.31)	(0.12)
Less: Acquisition of non-controlling interest (refer note 19)	(4.95)	(2.05)
Less: Forward contract entered with non-controlling interests	(6.36)	-
Less: Transfer to statutory reserve	-	(0.25)
Balance at the end of the year	**3,050.10**	**2,673.37**

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 and other local laws.

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
(i) Stock compensation reserve		
Opening balance	4.76	-
Stock compensation expense	16.71	4.76
Balance at the end of the year	**21.47**	**4.76**

The above reserve relates to Stock Appreciation Rights (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 information about SAR scheme is set out in note 42.

NOTES to the Consolidated financial statements for the year ended March 31, 2019

19. Non-controlling interests

The below table summarises the details relating to each of the Group's subsidiaries that have non-controlling interests before intra-group eliminations:

(₹ in Crores)

Name of Subsidiary	Proportion of ownership interests held by non-controlling interests (%)		Profit (Loss) allocated to non-controlling interests		Accumulated non-controlling interests	
	2018-19	2017-18	2018-19	2017-18	March 31, 2019	March 31, 2018
Arena Bilgisayar Sanayi ve Ticaret A.S	50.60	50.60	(24.48)	1.57	337.48	346.16
Linkplus Bilgisayar Sistemleri Sanayi ve Ticaret A.S*	-	10.00	-	1.10	-	6.37
Online Electronik Ticaret Hizmetleri A.S.*	-	10.00	-	(0.54)	-	0.30
Citrus Consulting Services FZ- LLC	15.20	40.00	0.01	(0.49)	(0.08)	(0.23)
Rajprotim Supply Chain Solutions Limited**	12.00	24.00	1.05	1.14	3.78	6.23
Auroma Logistics Private Limited (refer note 43)	10.00	-	0.11	-	3.49	-
Total			**(23.31)**	**2.78**	**344.67**	**358.83**

*NCI was acquired by RIML during the year March 31, 2019

**NCI acquired by ProConnect during the year March 31, 2019

The below is the summarised consolidated financial information of subsidiary with material non-controlling interest (Arena) before intra-group eliminations.

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
Current assets	1,316.74	1,126.00
Non-current assets	16.56	10.34
Current liabilities	840.25	663.75
Non-current liabilities	3.96	4.21
Equity attributable to the shareholders of Arena	489.54	468.08

(₹ in Crores)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Revenue	3049.88	3203.79
Non-controlling interest	(0.45)	0.30
Profit for the year attributable to equity holders of Arena	4.32	3.37
Loss for the year attributable to non-controlling interest	(0.76)	(0.54)
Total comprehensive income attributable to equity holders of Arena	(7.14)	1.66
Total comprehensive loss attributable to non-controlling interest	(0.77)	(0.86)
Total comprehensive income	**(7.91)**	**0.80**
Net cash from operating activities	33.62	17.15
Net cash (used in) investing activities	(3.41)	(4.92)
Net cash (used in) financing activities	(45.29)	(33.94)

20. Borrowings

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
Current		
Secured		
Loans from banks (refer note a)	648.76	914.89
Finance lease obligations (refer note b)	1.66	0.66
Unsecured		
Loans from banks	215.20	516.45
Loans from others	21.33	21.56
Commercial paper (refer note c)	395.91	-
Total	**1,282.86**	**1,453.56**
Non-current		
Secured		
Loans from banks (refer note a)	15.94	-
Long term maturities of finance lease(refer note c)	8.60	4.23
Total	**24.54**	**4.23**

Summary of borrowing arrangements

a. (i)The Company has availed loans from banks which are secured by pari-passu charge on inventories and trade receivables repayable on demand.

(ii) Loans availed by the Company's Indian subsidiary (ProConnect) 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.

(iii)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. Finance lease obligations are as follows:

As at March 31, 2019 is as follows:

(₹ in Crores)

Particulars	Future minimum lease payments (MLP)	Interest element of MLP	Present value of MLP
Within one year	2.56	0.90	1.66
Between one and five years	10.24	1.64	8.60
More than five years	-	-	-
Total	**12.80**	**2.54**	**10.26**

As at March 31, 2018 is as follows:

(₹ in Crores)

Particulars	Future minimum lease payments (MLP)	Interest element of MLP	Present value of MLP
Within one year	1.13	0.47	0.66
Between one and five years	5.28	1.05	4.23
More than five years	-	-	-
Total	**6.41**	**1.52**	**4.89**

c. Commercial paper is unsecured and the maximum amount outstanding at any time during the year was ₹1,900 Crores (previous year: ₹1,390 Crores).

NOTES to the Consolidated financial statements for the year ended March 31, 2019

Movement in bank borrowings for the year ended March 31, 2019

(₹ 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 20)	1,431.33	21.56	-	4.89	**1,457.78**
- Included under other financial liabilities (refer note 23)*	3.93	-	-	-	**3.93**
Details of borrowings with a maturity of over 90 days					
Loans availed during the year	654.80	3.80	-	-	**658.60**
Repayments made during the year	(689.14)	(4.82)	-	-	**(693.96)**
Details of borrowings with a maturity of 90 days or less					
Loans availed during the year	16,925.78	2.59	8,137.33	6.12	**25,071.82**
Repayments made during the year	(17,479.69)	(3.04)	(7,741.42)	(0.75)	**(25,224.90)**
Movement in bank overdrafts^	14.63	-	-	-	**14.63**
Finance costs	119.57	0.32	83.58	0.68	**204.15**
Interest paid	(119.17)	(0.32)	(83.58)	(0.68)	**(203.75)**
Effects of changes in foreign exchange rates	21.71	1.24	-	-	**22.95**
Balance at the end of the year					
- Included under borrowings (refer note 20)	**879.90**	**21.33**	**395.91**	**10.26**	**1,307.40**
- Included under other financial liabilities (refer note 23)	**3.85**	**-**	**-**	**-**	**3.85**

Movement in bank borrowings for the year ended March 31, 2018

(₹ 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 20)	1,414.22	3.22	98.40	-	**1,515.84**
- 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	551.09	-	250.00	-	**801.09**
Repayments made during the year	(479.51)	-	(250.00)	-	**(729.51)**
Details of borrowings with a maturity of 90 days or less					
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 20)	**1,431.34**	**21.56**	**-**	**4.89**	**1,457.79**
- Included under other financial liabilities (refer note 23)	**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 Statement of Cash Flows.

NOTES to the Consolidated financial statements for the year ended March 31, 2019

21. Provisions

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
Current		
Provision for compensated absences	16.06	15.94
Provision for gratuity	1.61	2.43
Total	**17.67**	**18.37**
Non-current		
Provision for compensated absences	6.95	4.53
Provision for gratuity	90.15	77.13
Total	**97.10**	**81.66**

Movement in Provision for Gratuity

(₹ in Crores)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Defined benefit obligation at the beginning of the year	**79.56**	**67.20**
Current service cost	17.85	14.57
Interest cost	0.99	0.60
Actuarial loss / (gain)	3.29	6.17
Benefits paid	(12.70)	(9.30)
Currency translation adjustment	2.77	0.32
Defined benefit obligation at the end of the year	**91.76**	**79.56**
Current	**1.61**	**2.43**
Non-current	**90.15**	**77.13**

Expenses recognized in the Consolidated Statement of Profit and Loss and other comprehensive income:

(₹ in Crores)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Cost of the defined plan for the year		
Current service cost	17.85	14.57
Interest cost	0.99	0.60
Total cost recognized in the Consolidated Statement of Profit and Loss	**18.84**	**15.17**
Actuarial loss / (gain)	3.29	6.17
Total cost recognized in other comprehensive income	**3.29**	**6.17**

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, 2019	For the year ended March 31, 2018
Discount rate	7.00% to 7.75%	7.50% to 7.75%
Salary escalation rate	5.00% to 10.00%	5.00% to 8.00%
Attrition rate	5.00% to 12.50%	5.00% to 12.50%
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

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Increase of 1% in assumptions	**Increase/ (decrease) in defined benefit obligation**	**Increase/ (decrease) in defined benefit obligation**
Discount rate	(1.65)	(1.12)
Salary escalation rate	1.83	1.00
Attrition rate	0.04	0.12
Decrease of 1% in assumptions	**Increase/ (decrease) in defined benefit obligation**	**Increase/ (decrease) in defined benefit obligation**
Discount rate	1.88	1.25
Salary escalation rate	(1.63)	(0.94)
Attrition rate	(0.06)	(0.13)

22. Trade payables

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
Total outstanding dues to micro enterprises and small enterprises	92.21	39.41
Total (i)	**92.21**	**39.41**
Total outstanding other than dues to micro enterprises and small enterprises		
- Trade payables	5,659.86	4,601.04
- Other payables	152.79	124.75
Total (ii)	**5,812.65**	**4,725.79**
Total (i+ii)	**5,904.86**	**4,765.20**

The Company and its Indian subsidiaries have 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, 2019	March 31, 2018
Amount due to vendor	92.21	39.41
- Principal	-	-
- Interest	-	-
Interest paid beyond the appointed day	-	-
Amount of interest due and payable for the period of delay in making payment	-	-
Amount of interest accrued and remaining unpaid at the end of the year	-	-

NOTES to the Consolidated financial statements for the year ended March 31, 2019

23. Other financial liabilities

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
Unclaimed dividend*	0.10	0.10
Supplier credit arrangements	45.32	40.64
Interest accrued but not due on borrowings	3.85	3.93
Other liabilities	161.73	166.98
Total	**211.00**	**211.65**
Current	**204.00**	**211.49**
Non-currrent	**7.00**	**0.16**

*No amount is due and outstanding to be credited to Investor Education and Protection Fund.

24. Other current liabilities

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
Unamortised revenue	7.92	60.21
Statutory liabilities	139.59	131.78
Advances / deposits received from customers	283.67	99.29
Dues to employees	66.14	75.36
Others liabilities	100.71	46.39
Total	**598.03**	**413.03**

25. Revenue from operations

(₹ in Crores)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Sale of goods	45,576.33	40,774.18
Service income	953.18	819.85
Other operating revenues	6.64	8.55
Total	**46,536.15**	**41,602.58**

Revenue disaggregation by geography is as follows

(₹ in Crores)

Geography	For the year ended March 31, 2019	For the year ended March 31, 2018
India	17,021.05	15,025.54
Overseas	29,515.10	26,577.04
Total	**46,536.15**	**41,602.58**

26. Other income (net)

(₹ in Crores)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest income under the effective interest rate method on loans and deposits	21.80	14.78
Interest from dealers	21.97	12.25
Income from short-term investments	2.36	1.07
Gain on sale of property, plant and equipment, and assets held for sale (net)	4.02	2.62
Other non-operating income	13.08	8.37
Total	**63.23**	**39.09**

NOTES to the Consolidated financial statements for the year ended March 31, 2019

27. Employee benefits expense

(₹ in Crores)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries and bonus	637.03	601.04
Contribution to provident fund and other funds	10.97	10.63
Welfare expenses	41.64	21.95
Gratuity	17.85	14.57
Stock compensation expense	16.71	4.76
Total	**724.20**	**652.95**

28. Finance Costs

(₹ in Crores)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest on borrowings	200.17	165.67
Other borrowing costs	3.98	2.36
Total	**204.15**	**168.03**

29. Depreciation and amortisation expense

(₹ in Crores)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Depreciation of property, plant and equipment (refer note 5)	41.39	41.62
Amortisation of Intangible assets (refer note 5)	21.97	15.32
Total	**63.36**	**56.94**

30. Other expenses

(₹ in Crores)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Rent (refer note 33)	110.55	92.95
Freight	173.35	151.36
Insurance	55.40	48.68
Sales promotion expenses	210.15	199.18
Warehouse handling charges	61.00	64.67
Bad debts*	0.30	-
Allowance for doubtful receivables	66.94	33.73
Auditors' remuneration (including remuneration to subsidiaries' auditors)	8.84	8.37
Exchange loss (net)	28.06	24.12
Outsourced resource cost	79.85	54.97
Bank charges	67.30	29.38
Corporate social responsibility expenditure (refer note 39)	6.65	6.27
Other expenses	232.04	219.70
Total	**1,100.43**	**933.38**

* The amount of bad debts written off against allowance for doubtful trade receivables is ₹25.17 Crores. (Previous year: ₹25.78 Crores)

NOTES to the Consolidated financial statements for the year ended March 31, 2019

31. Earnings per equity share

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit for the year (₹in Crores)	507.78	481.64
Weighted average number of equity shares (Basic)	396,707,747	400,003,004
Earnings per share- Basic ₹	**12.80**	**12.04**
Weighted average number of equity shares (Diluted)	396,712,117	400,032,508
Earnings per share- Diluted ₹	**12.80**	**12.04**
Face Value per share in ₹	2/-	2/-
Weighted average number of equity shares (Basic)	396,707,747	400,003,004
Add: Effect of employee stock option plan (dilutive)	4,370	29,504
Less: Effect of stock appreciation rights (anti-dilutive)	-	-
Weighted average number of equity shares (diluted)*	396,712,117	400,032,508

*The effect of employee stock option plan is dilutive whereas the effect of Stock Appreciation Rights (SARs) is anti-dilutive.

32. Contingencies and commitments

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
i. Bank guarantees	29.38	9.95
ii. Guarantees relating to channel financing	0.35	4.35
iii. Claims not acknowledged as debts	6.36	3.59

Disputed customs duty / income tax / sales tax / service tax demands

(₹ in Crores)

Nature of dues	March 31, 2019	March 31, 2018
Income tax (refer **Note A** below)	17.94	15.42
Sales tax	69.25	57.49

Note A

Includes similar issues for which the Company has received favourable disposition at the Tribunal level in the past.

Capital commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is ₹2.17 Crores (previous year ₹20.82 Crores).

33. 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 ₹110.55 Crores (previous year ₹ 92.95Crores).

Future minimum rental payable under non-cancellable operating leases at the end of the reporting period are as follows:

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
Payable in less than one year	10.55	13.96
Payable between one and five years	13.38	23.54
More than five years	4.72	6.45
Total	**28.65**	**43.95**

34. Financial Instruments

The following table shows the carrying amounts and 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, 2019	Carrying amount			Fair value			
	FVTPL	Other financial assets - amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value							
Other financial assets (refer note 14)							
- Call option	-	-	-				
Investments (refer note 15)	7.03	-	**7.03**	7.03			**7.03**
Financial assets not measured at fair value							
Trade receivables (refer note 11)	-	6,278.56	**6,278.56**				
Cash and cash equivalents (refer note 12)	-	866.64	**866.64**				
Other bank balances (refer note 12)	-	10.55	**10.55**				
Loans (refer note 13)	-	44.00	**44.00**				
Other financial assets (refer note 14)							
- Deposits	-	50.19	**50.19**		50.19		**50.19**
- Others	-	239.75	**239.75**				
Total financial assets	**7.03**	**7,489.69**	**7,496.72**	**7.03**	**50.19**		**57.22**

Categories of financial instruments (continued)

(₹ in Crores)

As at March 31, 2018	Carrying amount			Fair value			
	FVTPL	Other financial assets - amortised 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 15)	3.52	-	**3.52**	3.52			**3.52**
Financial assets not measured at fair value							
Trade receivables (refer note 11)	-	6,041.93	**6,041.93**				
Cash and cash equivalents (refer note 12)	-	527.99	**527.99**				
Other bank balances (refer note 12)	-	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	-	161.46	**161.46**				
Total financial assets	**5.21**	**6,828.27**	**6,833.48**	**3.52**	**36.71**	**1.69**	**41.92**

NOTES to the Consolidated financial statements for the year ended March 31, 2019

Categories of financial instruments (continued)

(₹ in Crores)

March 31, 2019	Carrying amount			Fair value			
	FVTPL	Other financial liabilities -amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial liabilities measured at fair value							
Other financial liabilities (refer note 23)							
- Forward contracts*	34.98	-	**34.98**		34.98		**34.98**
Financial liabilities not measured at fair value							
Borrowings (refer note 20)	-	1,307.40	**1,307.40**				
Trade payables (refer note 22)	-	5,904.86	**5,904.86**				
Other financial liabilities (refer note 23)							
- Others	-	176.02	**176.02**				
Total financial liabilities	**34.98**	**7,388.28**	**7,423.26**		**34.98**		**34.98**

(₹ in Crores)

March 31, 2018	Carrying Amount			Fair value			
	FVTPL	Other financial liabilities - amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial liabilities measured at fair value							
Other financial liabilities (refer note 23)							
- Forward contracts*	0.68	-	**0.68**		0.68		**0.68**
Financial liabilities not measured at fair value							
Borrowings (refer note 20)	-	1,457.79	**1,457.79**				
Trade payables (refer note 22)	-	4,765.20	**4,765.20**				
Other financial liabilities (refer note 23)							
- Others	-	210.97	**210.97**				
Total financial liabilities	**0.68**	**6,433.96**	**6,434.64**		**0.68**		**0.68**

* 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 for the previous year had been calculated by 11.43%, risk free rate and volatility 50.82%.

During the financial year 2015-16, a 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 financial year 2016-17, 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 financial year 2017-18, 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, 2019	March 31, 2018
Balance at the beginning of the year	**-**	**2.41**
Exercised during the year	-	(1.20)
Gain on increase in fair value	-	0.48
Currency Translation Adjustment	-	-
Balance at the end of the year	**-**	**1.69**

35. 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 optimising 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 primarily on account of 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.

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 ₹0.37 Crores (Previous year ₹1.22 Crores) and 0.24 Crores (Previous year ₹0.80 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$, which is the functional currency of Redington International Mauritius Limited and its subsidiaries, against the relevant foreign currency transactions that are not covered/pegged. A positive number below indicates an increase in profit before tax where the US$ 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.

NOTES to the Consolidated financial statements for the year ended March 31, 2019

(₹ in Crores)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Turkish Lira	4.05	0.20
Kuwaiti Dinar	(3.82)	(0.51)
Kenyan Shilling	(1.51)	0.01
Moroccan Dirham	(1.72)	(0.19)
Nigerian Naira	(1.47)	(0.17)
Kazakhstan Tenge	(0.29)	(0.32)
Egyptian Pound	(7.76)	(0.20)
Tanzanian Sillings	(0.75)	(0.09)
Uganda Shilling	(0.55)	(0.04)
Ghanainan Cedi	(0.03)	(0.02)
South African Rand	0.02	0.01
Iraqi Dinar	(0.00)	(0.01)
Libyan Dinar	(0.01)	(0.01)
Rwandan Franc	(0.06)	(0.01)
Euro	0.24	(0.14)
West African CFA Franc	(3.32)	(0.48)

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.

The Company's overseas subsidiaries and its Indian Subsidiary 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, 2019 would decrease/increase by ₹1.42 Crores (previous year: ₹3.33 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 Group is exposed to credit risk from its sale to small and large format retailers on credit.

The Group mitigates credit risk by strict receivable management, procedures and policies. The Group 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.

Movement in the Allowance for doubtful receivables

(₹ in Crores)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Balance at the beginning of the year	**139.25**	**133.61**
Allowance recognized during the year	66.94	33.73
Less: Allowance utilized for write-off	(25.17)	(25.78)
Currency translation adjustment	6.02	(2.31)
Balance at end of the year	**187.04**	**139.25**

Ageing of trade receivables*

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
Less than 90 days	6,095.71	5,878.33
More than 90 days	370.54	333.11
Total	**6,466.26**	**6,211.45**

* 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 loss 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 table details the Group's remaining contractual maturity for its non-derivative financial liabilities

(₹ in Crores)

Particulars	As at March 31, 2019				As at March 31, 2018			
	Carrying amount	Contractual cash flows			Carrying amount	Contractual cash flows		
		Less than a year	More than a year	Total		Less than a year	More than a year	Total
Borrowings	1,307.40	1,292.66	27.68	**1,320.34**	1,457.79	1456.00	4.23	**1460.23**
Trade payables	5,904.87	5904.87	-	**5,904.87**	4,765.20	4,765.19	-	**4,765.19**
Other financial liability	211.00	201.78	9.99	**211.77**	211.69	211.69	0.16	**211.85**
Total	**7,423.27**	**7,399.31**	**37.67**	**7,436.98**	**6434.64**	**6,432.88**	**4.39**	**6,437.27**

36. Operating Segment

The Group has identified India and Overseas as its reportable operating segments in line with the requirements Ind AS 108. 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 to the respective segments and unallocated items include current and deferred tax assets and liabilities.

NOTES to the Consolidated financial statements for the year ended March 31, 2019

(₹ in Crores)

Particulars	India		Overseas		Eliminations		Corporate Unallocated		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Segment revenue										
-External	17,021.05	15,025.54	29,515.10	26,577.04	-			-	46,536.15	41,602.58
-Inter-segment	-	-	0.40	12.47	(0.40)	(12.47)	-	-	-	-
Total	**17,021.05**	**15,025.54**	**29,515.50**	**26,589.51**	**(0.40)**	**(82.94)**	-	-	**46,536.15**	**41,602.58**
Segment profit/(loss) before tax	265.12	314.54	370.82	332.46	(12.60)	(16.43)	-	-	623.34	630.57
Income tax expense	86.95	104.74	51.92	41.41		-	-	-	138.87	146.15
Segment profit for the year	**178.17**	**209.80**	**318.90**	**291.05**	**(12.60)**	**(16.43)**	**-**	**-**	**484.47**	**484.42**
Non-controlling interest	1.16	1.13	(24.47)	1.65	-	-	-	-	(23.31)	2.78
Segment profit attributable to the shareholders of the company	**177.01**	**208.67**	**343.37**	**289.40**	**(12.60)**	**(16.43)**	**-**	**-**	**507.78**	**481.64**
Total segment assets	4,718.94	3,890.22	7,556.57	6,892.68	(0.09)	(0.73)	145.26	82.62	12,420.68	10,864.79
Total segment liabilities	3,743.11	2,823.74	4,393.04	4,124.04	(0.09)	(0.08)	33.97	27.70	8,170.03	6,975.40
Segment profit before tax includes:										
Interest income	29.50	17.47	14.31	10.45	(0.04)	(0.71)	-	-	43.77	27.21
Finance costs	128.79	101.79	75.40	66.95	(0.04)	(0.71)	-	-	204.15	168.03
Depreciation and amortisation expense	21.77	20.88	41.59	36.06	-	-	-	-	63.36	56.94
Impairment of goodwill and other intangibles	-	-	71.06	-	-	-	-	-	71.06	-
Segment assets include:										
Acquisition of Property, plant and equipment and other intangible assets	46.89	20.38	34.22	34.96		-		-	81.11	55.34
Impairment of goodwill and other intangibles	-	-	71.06	-	-	-	-	-	71.06	-

Other information with respect to the operating segments disclosed above

Revenues from major businesses are as follows:

(₹ in Crores)

Particulars	For the year ended March 31, 2019			For the year ended March 31, 2018		
	India	Overseas	Total	India	Overseas	Total
Distribution of products	16,834.33	28,742.00	**45,576.33**	14,835.83	25,938.35	**40,774.18**
Service	436.45	516.73	**953.18**	362.35	457.50	**819.85**
Total	**17,270.78**	**29,258.73**	**46,529.51**	**15,198.18**	**26,395.85**	**41,594.03**

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, 2019.

37. Related party disclosures

i. Remuneration to Key Management Personnel (KMP)

Mr. Raj Shankar, Managing Director

Mr. E.H. Kasturi Rangan, Whole Time Director

(Refer note 38 for details of remuneration paid to KMP)

ii. Names of the related parties

Parties having Significant influence on the Company	Synnex Mauritius Limited, Mauritius* Synnex Australia Pty Limited, Australia* Harrow Investment Holding Limited (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, 2019	For the year ended March 31, 2018
	Parties having Significant Influence	Parties having Significant Influence
Synnex Mauritius Limited		
Dividend paid	22.63	21.69
Synnex Australia Pty Limited		
Service income	0.14	-
Trade receivable at the year end	0.08	-

(₹ in Crores)

Nature of Transactions	For the year ended March 31, 2019	For the year ended March 31, 2018
	Subsidiary of associate	Subsidiary of associate
Currents Technology Retail (India) Limited		
Sale of goods	21.95	54.90
Interest income	2.33	2.35
Loan disbursed	63.40	78.30
Loan settled	66.30	74.80

Details of receivable from Currents Technology Retail (India) Limited:

(₹ in Crores)

Particulars	March 31, 2019	March 31, 2018
Loan outstanding at the year end	32.00	34.90
Trade receivable at the year end	14.15	17.64

NOTES to the Consolidated financial statements for the year ended March 31, 2019

38. Key managerial personnel remuneration

Remuneration to the whole time director from the Company as below:

(₹ in Crores)

Nature of Transactions	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries and bonus	0.90	1.24
Contribution to provident fund	0.03	0.03
Stock compensation expense (SAR)	0.30	0.07
Total remuneration	**1.23**	**1.34**

a) Provision for gratuity and compensated absences are based on an 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, 2019	For the year ended March 31, 2018
Salaries and bonus	4.75	6.02
Contribution to provident fund	0.05	0.06
Stock compensation expense (SAR)	0.05	0.01
Total	**4.85**	**6.09**

39. Corporate Social Responsibility (CSR)

For the year 2018-19, the Indian entities of the Group is required to spend ₹6.65 Crores (previous year: ₹6.27 Crores) on "Corporate Social Responsibility (CSR)"against which the Group has spent during the year ₹6.65 Crores (Previous Years: ₹6.27 Crores) towards CSR Expenditure, being the contribution made by the Group to a Trust formed for the purposes of carrying out these CSR activities.

40. Impairment of goodwill and other intangibles

The Company's wholly-owned subsidiary, Redington Gulf FZE carried out an impairment exercise of its investment in its subsidiary at Turkey, Arena. Due to devaluation of the Turkish Lira against USD, higher country risk rating and challenging business environment an impairment loss of ₹71.06 Crores was recognised during the year and the impairment charge towards Goodwill and Trade name and has been disclosed as an exceptional item in the above financial statements.

Impairment losses are recognised in the following intangible assets

(₹ in Crores)

Particulars	Amount
Goodwill (refer note 6)	20.02
Trade name	51.04
Total	**71.06**

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.

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	2,335,973	11,000	276,143	25,000	173,212
Options lapsed	587,670	4,750	-	-	50,572
Options vested	1,748,303	6,250	276,143	25,000	122,640
Options exercised at the beginning of the year	1,748,303	6,250	276,143	25,000	113,095
Options exercised during the year	-	-	-	-	5,276
Total options outstanding and not exercised as on March 31, 2019	-	-	-	-	3,819

* Out of the total options granted in 2008, 1,959,830 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	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	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 Group 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.

NOTES to the Consolidated financial statements for the year ended March 31, 2019

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.

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.

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	Year ended March 31, 2019		Year ended March 31, 2018	
	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (₹)
Balance at the beginning of the year	12,292	396.50	80,337	396.50
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	5,726	396.50	64,845	396.50
Expired during the year	2,747	396.50	3,200	396.50
Balance at the end of the year	3,819	396.50	12,292	396.50

Weighted average contractual life

The weighted average remaining contractual life of the options outstanding is 0.75 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	5,726	December 18, 2018	BSE-86.35/NSE-86.25

42. Details of Stock Appreciation Rights

A. Details of Stock Appreciation SARs

The Group has formulated 'REDINGTON STOCK APPRECIATION RIGHT SCHEME 2017' ("SAR Scheme 2017") with an intent to reward the employees of the Group 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 8,681,681 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 8,179,000 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 SAR scheme is in compliance with the provisions of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

Details of SARs granted during the previous year 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

Particulars		Year ended March 31, 2019	Year ended March 31, 2018
B.	**Details of movement in SARs granted during the year**	**Units (in numbers)**	**Units (in numbers)**
	SARs outstanding at the beginning of the year	8,149,000	-
	Number of SARs granted during the year	-	8,179,000
	SARs lapsed during the year	631,400	30,000
	Total number of shares to be allotted on exercise of SAR	-	-
	SARs outstanding at the end of the year	7,517,600	81,49,000
	SARs exercisable at the end of the year	753,200	-
C.	**Range of exercise prices of SARs outstanding at the end of the year**	₹ 2	₹ 2
D.	**Weighted average remaining contractual life (in years)**	2.76	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 at the time of grant 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 Group 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 SARs 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 SARs

Expected Life of SARs is the period over which the Group expects the SARs to be exercised. The minimum life of SARs is the minimum period before which the SARs cannot be exercised. The maximum life is the period after which the SARs cannot be exercised.

The expected life of SARs 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 Consolidated 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 and its subsidiaries in the Consolidated Statement of Profit and Loss under employee benefits expense.(refer note 27).

43 Acquisition of Subsidiary.

On March 6, 2019, Proconnect Supply Chain Solutions Limited ProConnect, a wholly -owned subsidiary had acquired 90% interest in Auroma Logistics Private Limited under a share purchase agreement dated March 6, 2019. The Auroma is primarily engaged in providing third party logistics solutions (3PL) comprising of warehouse management, handling of goods and transportation of goods.

The transaction was accounted under In AS 103 "Business Combinations" as a business combination with the purchase price being allocated to identifiable assets and liabilities at fair value.

A) Consideration transferred

The following table summarises the acquisition date fair value of each class of consideration transferred:

(₹ in Crores)

Particulars	Amount
Cash	38.17
Contingent consideration	7.16
Total consideration for business combination	**45.33**

The contingent consideration is payable within a range of 3 to 6 months from the date of completion of cash payment i.e. March 6, 2019. The fair value of the contingent consideration is determined by discounting the estimated amount payable to the sellers on retaining of certain customer contracts. At acquisition date, the key inputs used in determination of fair value of contingent consideration are the discount rate of 13.4% and the probabilities of retaining of certain customer contracts. As at March 31 2019, the fair value of the contingent consideration is ₹7.16 crores and is classified as other financial liability.

B) Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amount of assets acquired and liabilities assumed on the date of acquisition:

(₹ in Crores)

Particulars	Amount
Property, plant and equipment	1.04
Customer relationship	15.01
Trade receivables	6.57
Cash and cash equivalents	4.39
Other bank balances	3.60
Deposits and other receivables	2.83
Deferred tax assets	0.23
Other current assets	1.40
Trade payables and provisions	(1.35)
Deferred tax liabilities	(4.37)
Less: Proportionate value of non-controlling interests	3.37
Total net identifiable assets acquired	**25.98**

C) Goodwill

(₹ in Crores)

Particulars	Amount
Consideration transferred	45.33
Fair value of net identifiable assets	25.99
Goodwill	**19.34**

NOTES to the Consolidated financial statements for the year ended March 31, 2019

44. Additional information as required by paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Division II of Schedule III to the Companies Act, 2013

For the year ended March 31,2019

Name of the Entity	Net assets (Total assets less total liabilities)		Share in profit		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
	As a % of consolidated net assets	₹ in Crores	As a % consolidated net profit	₹ in Crores	As a % of consolidated OCI	₹ in Crores	As a % of TCI	₹ in Crores
Parent –Redington (India) Limited	22.72	965.55	25.04	127.14	(1.09)	(1.32)	20.02	125.82
Subsidiaries								
a. Indian								
ProConnect Supply Chain Solutions Limited	2.86	121.65	6.04	30.69	(0.36)	(0.43)	4.81	30.26
Ensure Support Services (India) Limited	0.63	26.60	0.77	3.90	0.17	0.20	0.65	4.10
Non-controlling interests in Indian subsidiaries	0.17	7.27	(0.23)	(1.16)	-	-	(0.18)	(1.16)
b. Foreign								
Redington International Mauritius Limited-before non-controlling interest	58.20	2,474.02	53.99	274.12	102.81	124.13	63.36	398.25
Redington Distribution Pte Limited	7.48	318.16	9.57	48.61	11.56	13.96	9.96	62.57
Non-controlling interest in foreign subsidiaries	7.94	337.40	4.82	24.48	(13.09)	(15.80)	1.38	8.68
Associate (Indian) – Redington (India) Investments Limited	-	-	-	-	-	-	-	-
Total	**100.00**	**4,250.65**	**100.00**	**507.78**	**100.00**	**120.74**	**100.00**	**628.52**

For the year ended March 31,2018

Name of the Entity	Net assets (Total assets less total liabilities)		Share in profit		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
	As a % of consolidated net assets	₹ in Crores	As a % consolidated net profit	₹ in Crores	As a % of consolidated OCI	₹ in Crores	As a % of TCI	₹ in Crores
Parent –Redington (India) Limited	27.88	1,084.41	33.65	162.08	(163.95)	(5.23)	32.35	156.85
Subsidiaries								
a. Indian								
ProConnect Supply Chain Solutions Limited	2.06	80.01	5.67	27.33	(14.11)	(0.45)	5.54	26.88
Ensure Support Services (India) Limited	0.62	23.99	1.34	6.47	(5.96)	(0.19)	1.30	6.28
Non-controlling interests in Indian subsidiaries	0.16	6.22	(0.23)	(1.13)	-	-	(0.23)	(1.13)
b. Foreign								
Redington International Mauritius Limited-before non-controlling interest	53.19	2,069.10	49.45	238.14	310.98	9.92	51.16	248.06
Redington Distribution Pte Limited	7.02	273.05	10.46	50.40	39.81	1.27	10.66	51.67
Non-controlling interest in foreign subsidiaries	9.07	352.61	(0.34)	(1.65)	(66.77)	(2.13)	(0.78)	(3.78)
Associate (Indian) – Redington (India) Investments Limited	-	-	-	-	-	-	-	-
Total	**100.00**	**3,889.39**	**100.00**	**481.64**	**100.00**	**3.19**	**100.00**	**484.83**

45. Buy - back of equity shares

The Board of Directors at its meeting held on September 17, 2018, considered and approved the proposal for buy-back of up to 11,120,000 fully paid up equity shares of the Company (representing 2.78 % of the total paid-up equity share capital of the Company as on March 31, 2018) of the face value of ₹ 2 each at a price of ₹ 125 per equity share for an aggregate amount not exceeding ₹ 139 Crores from the members of the Company, as on September 28, 2018 (the record date determined by the Board), on a proportionate basis through "Tender Offer" route as prescribed under the SEBI (Buy-back of Securities) Regulations, 2018. A Letter of Offer was made to all eligible shareholders and the Company completed the buy-back of 11,120,000 equity shares resulting in a reduction in the share capital and securities premium of the Company by ₹ 2.22 Crores and ₹ 136.78 Crores respectively.

Further, pursuant to the buy-back, the Company has also transferred an amount of ₹ 2.22 Crores from general reserve to capital redemption reserve in accordance with the provisions of the Companies Act, 2013. The transaction costs relating to buy-back amounting to ₹ 2.29 Crores was charged to Surplus in the Consolidated Statement of Profit and Loss (Retained earnings) under other Equity.

46. Adoption of Ind AS 115 - Revenue from contracts with customers:

The Group has adopted Ind AS 115, Revenue from Contracts with Customers (which replaces earlier revenue recognition standards) with effect from April 1, 2018. The core principle of this standard is that the Group shall recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Under Ind AS 115, the Group recognizes 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 Group has applied Ind AS 115 retrospectively. Accordingly, the information presented for year ended March 31, 2018 has been restated. Upon adoption of Ind AS 115, the Group has changed the accounting policy with respect to income from supplier schemes. Income from supplier schemes was hitherto classified as part of revenue from operations. The Company has adjusted rebate earning from supplier schemes against purchase of traded goods.

The following table summarizes the impact of transition to Ind AS 115 on the amounts reported in the FY 2017-18:

(₹ **in Crores)**

Particulars	**Amount**
Revenue from operations as reported in the last year	43,459.41
Effect on adoption of Ind AS 115	(1,856.83)
Revenue from operations (As per Note 25)	41,602.58
Purchases of traded goods as reported in the last year	40,754.92
Effect on adoption of Ind AS 115	(1,856.83)
Purchases of traded goods	38,898.09

47. Events after the reporting period

The Board of Directors at its meeting held on May 22, 2019 has recommended a dividend of ₹ 3.30/- per equity share of ₹ 2/- each - i.e., 165% of face value for the financial year ended March 31, 2019 (previous year: ₹ 2.40 per equity share of ₹ 2/- each i.e., 120% of face value) subject to the approval of shareholders in the ensuing Annual General Meeting.

48. These consolidated financial statements were approved for issue by the Board of Directors on May 22, 2019.

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

S Sethuraman
Partner
Membership No. 203491

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 22, 2019.

FORM - AOC1

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, 2019	INR	1.0000	9.08	112.66	248.31	126.57	-	266.80	34.87	10.62	24.25	-	100	100
2	Ensure Support Services (India) Limited	27-Jun-13	March 31, 2019	INR	1.0000	4.50	22.12	69.91	43.29	7.03	101.04	5.17	1.27	3.90	1.57	100	100
3	Redington International Mauritius Limited	16-Jul-08	March 31, 2019	USD	69.1550	191.34	1,277.25	1,468.59	-	-	-	170.19	-	170.19	-	100	100
4	Redington Distribution Pte. Limited	1-Apr-05	March 31, 2019	USD	69.1550	27.66	289.26	859.50	542.58	-	3,000.81	56.72	11.51	45.21	12.17	100	100
5	Redington Gulf FZE	27-Mar-00	March 31, 2019	AED	18.8275	22.59	1,960.56	4,749.78	2,766.63	-	12,078.38	267.74	11.72	256.02	263.26	100	100
6	Redington Egypt Ltd (Limited liability company)	9-Feb-00	December 31, 2018	EGP	3.8900	0.02	14.62	99.57	84.93	-	317.12	6.30	1.57	4.73	-	100	100
7	Redington Nigeria Limited	15-Oct-02	March 31, 2019	NGN	0.2261	0.23	(0.23)	(0.00006)	-	-	0.43	21.85	2.06	19.79	-	100	100
8	Redington Gulf & Co. LLC	11-Nov-03	March 31, 2019	OMR	179.6250	2.69	1.30	66.15	62.16	-	182.06	0.19	0.09	0.10	-	70	100
9	Redington Kenya Limited	19-Jul-04	March 31, 2019	KES	0.6864	0.07	5.69	147.37	141.61	-	535.27	2.65	0.83	1.82	-	100	100
10	Cadensworth FZE	30-Mar-05	March 31, 2019	AED	18.8275	1.88	16.57	76.59	58.14	-	414.38	1.55	-	1.55	-	100	100
11	Redington Middle East LLC	1-Jul-05	March 31, 2019	AED	18.8275	0.56	19.84	754.48	734.08	-	5,128.27	8.16	-	8.16	-	49	100
12	Ensure Services Arabia LLC	13-Jun-00	March 31, 2019	SAR	18.4400	1.84	3.55	6.90	1.51	-	8.24	(1.23)	-	(1.23)	-	100	100
13	Redington Africa Distribution FZE	18-Dec-05	March 31, 2019	AED	18.8275	1.88	(0.02)	1.86	0.0000005	-	-	(0.01)	-	(0.01)	-	100	100
14	Redington Qatar WLL	7-Oct-02	March 31, 2019	QAR	18.9950	0.38	1.61	5.32	3.33	-	20.61	0.54	0.05	0.49	-	49	100
15	Ensure Services Bahrain S.P.C.	26-Mar-07	March 31, 2019	BHD	183.4625	0.92	2.71	4.37	0.74	-	2.26	0.10	-	0.10	-	100	100
16	Redington Qatar Distribution WLL	15-Aug-07	March 31, 2019	QAR	18.9950	0.38	0.69	218.02	216.95	-	517.83	2.34	0.27	2.07	-	49	100
17	Redington Limited	28-Nov-08	March 31, 2019	GHS	12.7545	0.71	(0.003)	0.91	0.20	-	1.03	0.04	0.01	0.03	-	100	100
18	Redington Kenya (EPZ) Limited	10-Dec-08	March 31, 2019	KES	0.6864	0.01	(1.39)	1.98	3.36	-	-	(0.09)	-	(0.09)	-	100	100
19	Redington Uganda Limited	9-Jan-09	March 31, 2019	UGX	0.0186	0.03	2.24	63.92	61.65	-	154.05	0.85	0.27	0.58	-	100	100
20	Cadensworth UAE LLC	5-May-09	March 31, 2019	AED	18.8275	0.56	12.17	241.16	228.43	-	1,703.38	1.90	-	1.90	-	49	100
21	Redington Tanzania Limited	13-Aug-09	March 31, 2019	TZS	0.0299	0.0003	1.37	43.14	41.77	-	182.55	1.00	0.39	0.61	-	100	100
22	Redington Morocco Ltd.	5-Oct-09	March 31, 2019	MAD	7.1563	0.21	3.02	29.66	26.43	-	71.10	0.18	0.37	(0.19)	-	100	100
23	Ensure IT Services (Pty) Ltd.	27-Jul-11	March 31, 2019	ZAR	4.7700	0.33	1.91	6.00	3.76	-	13.71	0.57	0.16	0.41	-	100	100
24	Redington Turkey Holdings S.A.R.L. (RTHS)	8-Nov-10	March 31, 2019	USD	69.1550	3.11	(43.90)	248.71	289.50	-	-	(47.29)	-	(47.29)	-	100	100
25	Arena Bilgisayar Sanayi Ve Ticaret A.S.	29-Nov-10	December 31, 2018	USD	69.7750	155.73	342.70	1,172.90	674.47	-	2,763.81	26.16	11.11	15.05	-	49.40	49.40
26	Arena International FZE	25-May-11	December 31, 2018	AED	18.9950	1.90	-	256.25	254.35	-	1,051.61	96.27	-	96.27	-	49.40	49.40
27	Redington Bangladesh Limited	24-Jun-05	March 31, 2019	BDT	0.8288	0.25	0.32	1.44	0.87	-	2.76	0.17	0.10	0.07	-	99	100
28	Redington SL Private Limited	28-Oct-09	March 31, 2019	LKR	0.3802	1.08	7.06	71.94	63.80	-	186.89	3.39	0.85	2.54	-	100	100
29	Redington Rwanda Ltd.	9-May-12	March 31, 2019	RWF	0.0767	-	(0.37)	0.74	1.11	-	-	(0.03)	-	(0.03)	-	100	100
30	Redington Kazakhstan LLP	24-Apr-12	December 31, 2018	KZT	0.1817	0.25	(5.65)	19.34	24.74	-	96.97	32.32	-	32.32	-	100	100
31	Ensure Gulf FZE	25-Jul-12	March 31, 2019	AED	18.8275	1.88	23.85	89.58	63.85	-	30.01	11.25	-	11.25	-	100	100
32	Ensure Middle East Trading LLC	14-Oct-12	March 31, 2019	AED	18.8275	0.56	8.50	22.08	13.02	-	93.42	1.59	-	1.59	-	49	100
33	Ensure Solutions Nigeria Limited	17-Jan-13	March 31, 2019	NGN	0.2261	0.02	1.14	7.87	6.71	-	11.20	(0.20)	(0.05)	(0.15)	-	99.90	100
34	Ensure Technical Services Kenya Limited	17-Dec-12	March 31, 2019	KES	0.6864	0.07	(2.53)	3.42	5.88	-	8.98	(1.38)	-	(1.38)	-	100	100
35	Ensure Services Uganda Limited	17-Jan-13	March 31, 2019	UGX	0.0186	0.01	0.29	1.15	0.85	-	0.96	(0.09)	(0.02)	(0.07)	-	100	100
36	Ensure Technical Services Tanzania Limited	21-Dec-12	March 31, 2019	TZS	0.0299	0.00299	(0.60)	1.63	2.21	-	0.61	0.09	0.03	0.06	-	100	100
37	Ensure Ghana Limited	10-May-13	March 31, 2019	GHS	12.7545	0.33	0.20	0.73	0.20	-	1.27	0.016	0.004	0.012	-	100	100
38	Proconnect Supply Chain Logistics LLC	24-Apr-13	March 31, 2019	AED	18.8275	0.56	18.65	27.82	8.61	-	118.32	9.99	-	9.99	-	49	100
39	Ensure Technical Services Morocco Limited (Sarl)	26-Oct-13	March 31, 2019	MAD	7.1563	0.07	(0.38)	5.58	5.89	-	3.70	0.06	0.02	0.04	-	100	100
40	Redington Senegal Limited S.A.R.L.	14-May-14	December 31, 2018	XOF	0.1123	0.06	9.19	64.19	54.94	-	409.71	0.39	0.14	0.25	-	100	100
41	Redington Saudi Arabia Distribution Company	18-Aug-14	March 31, 2019	SAR	18.4400	49.79	25.98	1,229.33	1,153.56	-	6,899.29	30.22	6.09	24.13	-	75	100
42	PayNet Odeme Hizmetleri A.S.	16-Jan-15	December 31, 2018	TRY	13.1957	2.64	2.91	16.23	10.68	-	70.18	2.16	0.52	1.64	-	49.40	49.40

(₹ 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 %
43	Sensonet Teknoloji Elektronik Ve Bilisim Hizmetleri Sanayi Ve Ticaret A.S.	5-Nov-12	December 31, 2018	USD	69.7750	1.70	5.30	57.28	50.28	-	44.66	(15.77)	(2.17)	(13.60)	-	49.40	49.4
44	CDW International Trading FZCO	5-Jul-15	March 31, 2019	AED	18.8275	0.00188	3.07	218.64	215.57	-	900.08	2.02	-	2.02	-	100	100
45	RNDC Alliance West Africa Limited	17-Nov-15	March 31, 2019	NGN	0.2261	0.23	(3.70)	18.29	21.76	-	22.84	(3.30)	-	(3.30)	-	100	100
46	Linkplus Bilgisayar Sistemleri Sanayi Ve Ticaret A.S.	26-Nov-15	December 31, 2018	TRY	13.1957	26.39	23.63	263.53	213.51	-	629.38	23.36	4.88	18.48	-	100	100
47	Ensure Middle East Technology Solutions LLC	10-Oct-16	March 31, 2019	AED	18.8275	0.28	0.49	2.07	1.30	-	6.18	0.49	-	0.49	-	49	100
48	Rajprotim Supply Chain Solutions Limited	25-Jul-16	March 31, 2019	INR	1.0000	11.17	20.15	84.08	52.76	-	115.97	7.57	2.20	5.37	-	88	88
49	Proconnect Saudi LLC	05-Feb-17	March 31, 2019	SAR	18.4400	1.84	0.33	5.94	3.77	-	19.55	0.95	0.40	0.55	-	100	100
50	Redserv Business Solutions Private Limited	29-Mar-17	March 31, 2019	INR	1.0000	0.10	(0.62)	0.55	1.07	-	-	(0.56)	-	(0.56)	-	100	100
51	Redington Distribution Company LLC	14-Mar-17	March 31, 2019	EGP	3.9900	0.80	3.04	33.77	29.93	-	75.87	2.56	0.64	1.92	-	99	100
52	Citrus Consulting Services FZ LLC	20-Apr-17	March 31, 2019	AED	18.8275	0.71	(0.10)	3.06	2.45	-	15.85	1.07	-	1.07	-	84.80	84.80
53	Arena Mobile Iletisim Hizmetteri ve Turketici Elektronigi Sanayi ve Ticaret A.S.	11-Apr-17	December 31, 2018	TRY	13.1957	0.33	22.69	32.83	9.81	-	249.40	(0.10)	(0.03)	(0.07)	-	49.40	49.40
54	Online Elektronik Ticaret Hizmetleri A.S.	10-Apr-17	December 31, 2018	TRY	13.1957	6.48	(9.37)	28.37	31.26	-	98.09	(10.00)	(2.16)	(7.83)	-	44.46	44.46
55	Paynet (Kibris) Odeme Hizmetleri Limited	7-Apr-17	December 31, 2018	TRY	13.1957	0.53	0.003	0.57	0.04	-	0.05	(0.02)	-	(0.02)	-	49.40	49.40
56	Ensure Services Limited	7-Sep-17	December 31, 2018	EGP	3.8900	0.02	(0.69)	3.78	4.45	-	3.20	(0.68)	-	(0.68)	-	99	100
57	Redington Cote d'Ivoire SARL	30-Jan-18	December 31, 2018	XOF	0.1123	0.06	(8.66)	37.46	46.06	-	111.44	(9.11)	-	(9.11)	-	100	100
58	Auroma Logistics Private Limited	8-Mar-19	March 31, 2019	INR	1.0000	0.01	19.86	30.88	11.01	-	71.74	5.20	1.54	3.66	-	90	90

Part (B) Associate and its subsidiary

(₹ in Crores)

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 *	28-Jun-95	March 31, 2019	1,00,000	0.10	47.62	47.62	Share holding more than 20%	48.01	(0.10)	-	(4.04)

* Includes its Subsidiary Currents Technology Retail (India) Limited.

The below mentioned companies are yet to commence operation:

Redington Gulf FZE Co, Iraq

Ensure Technical Services (PTY) Ltd.

@ Investment excludes investment in subsidiary

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)

S V Krishnan
Chief Financial Officer

M Muthukumarasamy
Company Secretary

Place: Chennai
Date: May 22, 2019

REDINGTON (INDIA) LIMITED

Regd. Office: SPL Guindy House, 95, Mount Road, Guindy, Chennai 600 032
CIN: L52599TN1961PLC028758
Website: www.redingtongroup.com
Email id: investors@redington.co.in
Phone No.: 044 42243353 Fax No.: 044 22253799.

NOTICE CALLING FOR ANNUAL GENERAL MEETING

NOTICE is hereby given that the TWENTY SIXTH ANNUAL GENERAL MEETING of the Company will be held on Tuesday, July 30, 2019, 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, 2019, 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, 2019, 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 2018-19
4. To appoint Ms. Chen, Yi-Ju (DIN: 08031113) as a Director, who retires by rotation and being eligible, offers herself for re-appointment
5. To appoint Mr.Udai Dhawan (DIN: 03048040) as a Director, who retires by rotation and being eligible, offers himself for re-appointment

SPECIAL BUSINESS

6. Appointment of Ms. Anita P Belani (DIN: 01532511) as 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 of Directors and subject to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 (the "Act"), the Companies (Appointment and Qualification of Directors) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Ms. Anita P Belani (DIN: 01532511), Additional Director of the Company and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as the Independent Director of the Company for a term of three years, with effect from April 1, 2019, not liable to retire by rotation".

7. Re-appointment of Prof. J. Ramachandran (DIN: 00004593) as Independent Director

To consider and, if thought fit, to pass the following as a Special Resolution:

"RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors and subject to the provisions of Section 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, Prof. J. Ramachandran (DIN: 00004593), be and is hereby reappointed as an Independent Director of the Company with effect from August 1, 2019 and shall hold office upto March 31, 2024, not liable to retire by rotation".

8. Re-appointment of Mr. V.S.Hariharan (DIN: 05352003) as Independent Director

To consider and, if thought fit, to pass the following as a Special Resolution:

"RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors and subject to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 (the "Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, Mr. V.S.Hariharan (DIN: 05352003), be and is hereby reappointed as an Independent Director of the Company with effect from August 1, 2019 and shall hold office up to March 31, 2024, not liable to retire by rotation"

9. Re-appointment of Mr. Keith WF Bradley (DIN: 06564581) as Independent Director

To consider and, if thought fit, to pass the following as a Special Resolution:

"RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, and subject to the provisions of Sections 149,152 and any other applicable provisions of the Companies Act, 2013 (the "Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, Mr. Keith WF Bradley (DIN: 06564581), be and is hereby reappointed as an Independent Director of the Company with effect from August 1, 2019 and shall hold office up to March 31, 2024, not liable to retire by rotation"

10. Appointment of Mr. S. V. Krishnan (DIN: 07518349) as a Whole-Time Director of the Company

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 subject to the provisions of Section 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. S. V. Krishnan (DIN: 07518349), Chief Financial Officer and Additional Director of the Company and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director on the Board of the Company"

"RESOLVED FURTHER THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 , the consent of the members of the Company, be and is hereby accorded for the appointment of Mr. S. V. Krishnan (DIN: 07518349), as a Whole-time Director of the Company for a period of three years effective from May 22, 2019, on the terms and conditions of appointment and remuneration as set out in explanatory statement attached to this notice"

"RESOLVED FURTHER THAT the Board and the Nomination and Remuneration Committee of Directors be and are hereby severally authorized to alter and vary such terms of appointment and remuneration subject to the same not exceeding the limits specified under Section 197, read with Schedule V of the Companies Act, 2013 (including any statutory modifications or re-enactment(s) thereof, for the time being in force)."

11. Reclassification of Promoter Status of Harrow Investment Holding Limited as Public

To consider and, if thought fit, to pass the following as an Ordinary Resolution

"RESOLVED THAT pursuant to the recommendation of the Board and subject to the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, and subject to the necessary approvals from the Securities and Exchange Board of India (SEBI), Stock Exchanges and other appropriate statutory authorities as may be required, consent of the Members be and is hereby accorded for the reclassification of the status of Harrow Investment Holding Limited, Mauritius from 'Promoter' to 'Public'"

"RESOLVED FURTHER THAT Mr.S.V.Krishnan, Chief Financial Officer and Whole Time Director and Mr. M. Muthukumarasamy, Secretary of the Company be and are hereby severally authorized to file the necessary applications before the regulatory authorities and to do all such acts, deeds, matters and things as may be necessary, proper or expedient to give effect to this Resolution and thereby execute all such documents, instruments, papers and writings etc., on behalf of the Company, as may be required from time to time for the aforesaid matter."

12. 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 members of the Company be and is hereby accorded to reappoint Ernst & Young LLP, Singapore as Auditor for the Branch Office of the Company at Singapore for the Financial Year 2019-20, on such terms and conditions as may be fixed by the Board of Directors".

By Order of the Board
For Redington (India) Limited

M Muthukumarasamy
Company Secretary

Place : Chennai
Date : May 22, 2019

Notes :

1. The explanatory statement, pursuant to Section 102 of the Companies Act 2013 in respect of the business under items 6 to 12 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 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 Wednesday, July 24, 2019 to Tuesday, July 30, 2019 (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:
    a. To all beneficial owners in electronic form as per data made available by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
    b. 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, 2019.
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, 2011 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, 2012 which remains unpaid or unclaimed for a period of seven years, become due for transfer to IEPF during FY 2020. 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 Limited.

    Detailed information of Unclaimed Dividend is available on Company's website www.redingtongroup.com/india 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 Registrar and Share Transfer Agent, Cameo Corporate Services Limited, 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 appointment/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 Depository 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, Practising Company Secretary, as the 'Scrutiniser' for conducting the E-Voting process in a fair and transparent manner.

    The Board of Directors has appointed Mr. S. V. Krishnan, Chief Financial Officer and Whole Time Director 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 AGM.

    The results would be declared on or after the date of AGM of the Company by the Chairman or the person authorized by him. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.redingtongroup.com/india and on the website of NSDL and shall be forwarded to the Stock Exchanges.

    The e-voting period commences on July 27, 2019 (9:00 am) and ends on July 29, 2019 (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, 2019.

    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, 2019, 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, Practising Company Secretary	bhuvana.r@ akshayamcorporate.com
E-voting Facility Provider	National Securities Depository 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 e-services 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
   d. Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.
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 to 9

Director Independence has become a key element of modern corporate governance globally. Regulators, scholars, companies and shareholders have all placed a strong emphasis on director independence to ensure that investors' interests are well-served. Independent directors with strong credentials have been found to enable institutionalisation of strong financial, legal and risk management systems.

Your company understands and appreciates the value of having independent directors with expertise in diverse fields on the board and the significant contributions they make to the growth and performance of the company. The company is today governed by a strong and independent Board which is richly diversified in terms of expertise, age, gender, culture etc. The company continues to strengthen the Board's leadership with relevant skill sets by undertaking an annual evaluation of the performance of the Directors and has a robust succession planning process in place for both the Board and the management team.

In May 2018, The Securities Exchange Board of India amended the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and mandated the appointment of at least one independent woman director on the Board with effect from April 1, 2019. Following the recommendations of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on March 14, 2019 appointed Ms. Anita P Belani, who has rich experience and expertise in managing human capital, as an Independent Director for a period of three years with effect from April 1, 2019.

In the opinion of the Board of Directors, Ms. Anita P Belani, fulfils the conditions specified in the Act and the Rules made thereunder for being appointed as an Independent Director. The Company has also received a declaration from Ms. Anita P Belani that she fulfils the criteria of independence under Companies Act, 2013 and the Listing regulations.

Accordingly, the Board recommends the Resolution No. 6 in relation to the appointment of Ms. Anita P Belani, as Independent Director, for the approval of the members.

A brief profile of Ms. Anita P Belani is provided at Annexure A to this Notice.

Except for Ms. Anita P Belani, none of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution no. 6.

Further, your company is of the view that having independent directors who have a deep understanding of the company's businesses to be critical, especially at a time when the company's competitive and technological landscape is undergoing radical change. Their counsel will be extremely valuable as the company negotiates the impact of new age technologies and the consequent changes in its business models.

In compliance with the requirements of the Companies Act, 2013, Professor J Ramachandran, Mr V S Hariharan and Mr Keith WF Bradley were appointed as Independent Directors on the Board with the consent of the members for a period of five consecutive years.

The term of their appointment as an independent director would come to an end July 31, 2019. Based on the performance evaluation and on the recommendation of the Nomination and Remuneration Committee, the Board is of the opinion that the Company (and its leadership team) has received invaluable inputs from them during their present term as Independent Directors. It believes that their continued association will add immense value to the Company. Accordingly, it is proposed to re-appoint Professor J Ramachandran, Mr V S Hariharan and Mr Keith WF Bradley for a second term till March 31, 2024.

The aforesaid directors fulfil the conditions specified in the Act and rules made thereunder for their reappointment as Independent Directors for one more term. The Company has received declarations from the Directors that they fulfil the criteria of independence under the Companies Act, 2013 and the Listing Regulations. Hence your Board recommends the resolution nos. 7 to 9 for the approval of members.

The brief profiles of Professor J Ramachandran, Mr V S Hariharan and Mr Keith W F Bradley are provided in Annexure A to this notice.

Except for Professor J Ramachandran, Mr V.S. Hariharan and Mr Keith W F Bradley, none of the other Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested in the resolution nos. 7 to 9.

Professor J Ramachandran: Chairman of the Board

Professor J Ramachandran is a Professor of Strategy at the Indian Institute of Management, Bangalore. A qualified Chartered and Cost Accountant and a Fellow of the Indian Institute of Management, Ahmedabad, he serves as an independent director on the board of leading Indian companies. He carries rich experience in corporate management and his work has been published in leading journals such as the Harvard Business Review, Strategic Management Journal, Global Strategy Journal and the Journal of International Business Studies.

The company, prior to the listing of its shares, inducted Professor Ramachandran to the Board as an independent director in 2006. In keeping with its strong commitment to the highest standards of corporate governance — exemplified by separating the Chair and CEO positions— appointed him as Chairman of the Board. He has since provided excellent leadership to the Board enabling it to function as the highest decision making body in the company. He devotes significant time and effort to the affairs of the Company. Apart from bringing independent judgment to bear on the Board's deliberations, especially on issues pertaining to strategy and performance, he has successfully harnessed the expertise of the various members of the Board by effectively leveraging the various committees of the board and with his skilful moderation of the discussions of the Board. As the Chairman, he conducts the Annual General Meetings of the Company in an able and professional manner.

In 2017, the promoters of the company divested their entire shareholding and Redington became a fully Board-led, professionally managed company. Since then the role of the Chairman of the Board has become even more significant. The company strongly believes Professor Ramachandran's leadership of the Board as an Independent Chairman will prove to be hugely beneficial— his counsel will enable it to effectively negotiate the myriad challenges it confronts in its strategic and operating environment.

Professor Ramachandran is eligible for one more term. The Board recommends his appointment in view of his immense contributions, accentuated more so on account of the promoter-less, professionally managed and Board-led nature of the Company. Also, Professor Ramachandran is just 61 years of age and that is an added advantage

Mr V S Hariharan: Independent Director, Chairman of Nomination and Remuneration Committee, CSR Committee and Strategy Committee.

Mr V S Hariharan graduated from the IIT-Madras and holds an MBA from IIM-Bangalore.

He has over 25 years of Sales, Marketing, and General Management experience across regional, national and global level roles in the Information Technology Industry. He started his career with Wipro in India and later relocated to Singapore with Hewlett-Packard (HP) where he spent over 18 years. In HP, Mr Hariharan held a number of positions as Vice President, leading different businesses ranging from the Global laser business, Asia Pacific Imaging and Printing Sales and field operations, Asia Pacific Graphic Solutions Business.

Co-opted on the Board in July 2012, Mr Hariharan is the Chairman of the Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Strategy Committee of the Board. He is also a member of the Audit Committee and the Risk Management Committee

Over the last few years, the Nomination and Remuneration Committee has made several key contributions such as Board surveys, to improve effectiveness of Board functioning, inducting new Directors to enhance competencies needed in the Board, succession planning and development for top management. Mr. Hariharan, as the Chairman of Nomination and Remuneration Committee, has provided leadership in the Committee on a variety of these topics. The Strategy Committee was formed to provide a framework and recommendation to the Board and guidance to the management team on key strategy areas, areas to invest in and areas to optimize. Mr. Hariharan with his vast experience in various transformations at companies like HP and Wipro provides valuable inputs and steering in the Strategy Committee.

Mr Hariharan, with his interest in social welfare, also heads the CSR Committee. With his guidance, the CSR activities of the Company are making a humble yet meaningful difference to the needy and challenged sections of the rural population.

Mr Keith WF Bradley: Independent Director, Chairman of Risk Management Committee.

Mr Keith WF Bradley is a Chartered Accountant from the United Kingdom, with a 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 the overall performance of Ingram Micro's US and Canadian operations.

Co opted on the Board in April 2013, Mr Bradley is the Chairman of Risk Management Committee and member of the Audit Committee, Nomination and Remuneration Committee and the Corporate Social Responsibility Committee.

His vast experience in the distribution industry has endowed him with an all-encompassing, detailed understanding of the business and regulatory landscape, which has provided your Company with a vital edge in business expansion and decision-making.

For your Company, being one of the largest distributors of IT and IT-related products, technological expertise is an added advantage for being abreast with global technological trends and developments, and also in understanding market behaviour.

Thanks to his wide international experience, Mr Bradley has brought in a strong appreciation of global trends, perspectives and technological insights – this has helped the Company significantly in staying at the edge of technology and also for making informed business decisions. His contribution towards risk assessment and its management in overseas markets has been truly remarkable.

Item No. 10

Mr. E. H. Kasturi Rangan (DIN: 01814089) was appointed as a Whole-Time Director at the Annual General Meeting held on July 27, 2016 for a period of three years with effect from May 24, 2016. As per his terms of appointment, his office as Whole-Time Director of the Company would have expired on May 23, 2019. The Nomination and Remuneration Committee and the Board of Directors of your Company felt that ProConnect Supply Chain Solutions Limited (ProConnect), a wholly owned subsidiary of the Company has immense potential to expand in the near future and decided that a senior management person to be appointed to focus and drive the growth of that entity. It suggested appointing Mr. E. H. Kasturi Rangan, who was responsible for the operations of ProConnect as its Managing Director. The Board took note of the consent of Mr. E.H. Kasturi Rangan to accept the new position at ProConnect. To concentrate more on his new responsibility, Mr. E.H. Kasturi Rangan tendered his resignation from the Board and the Board took note of the same.

The Nomination and Remuneration Committee acknowledging the contribution by Mr. S V Krishnan, Chief Financial Officer, recommended his elevation as the Whole Time Director of the Company in the place of Mr. E. H. Kasturi Rangan. Considering the recommendation of Nomination and Remuneration Committee, the Board of Directors approved appointment of Mr. S V Krishnan as Whole Time Director for a period of 3 years with effect from May 22, 2019 on the terms and conditions as set out below.

Salary

Basic Salary	:	Rs. 2,70,833/- per month
Allowances	:	Rs. 2,09,584/- per month
Contribution to Provident Fund	:	12% of basic salary
Contribution to NPS	:	10% of basic salary
Leave Travel Allowance	:	As per the policy of the Company

Performance Linked bonus

As may be approved by the Nomination and Remuneration Committee subject to a maximum of Rs. 27.86 lakhs Per Annum

Annual Revision

The salary and performance linked bonus shall be revised with an annual increment as may be decided by the Nomination and Remuneration committee. The annual increments will be merit based and taking into account the Company's performance.

Employee benefits

During the term of office, Mr. S. V. Krishnan will be entitled to all Employee benefit as per the policies of the Company. Subject to the approval of the Nomination and Remuneration Committee, Mr. S V Krishnan will be included as part of the incentive schemes of the Company including the share-based incentive schemes.

Expenses

The Company will reimburse the expenses incurred by Mr. S. V. Krishnan in furtherance of or in connection with the performance of his duties, in accordance with the Company's policy.

Minimum Remuneration

The remuneration as set out above may be paid as the minimum remuneration to Mr. S. V. Krishnan, in the event of absence or inadequacy of profits in any financial year, provided that the total remuneration payable by way of salary, perquisites and any other allowance shall not exceed the ceiling provided in Section II of Part II of Schedule V of the Companies Act, 2013

Your Directors recommend the resolution 10 set out in the notice above, for the approval of the Members.

A brief profile of Mr. S. V. Krishnan is provided at Annexure A to this Notice.

Except Mr. S.V. Krishnan, None of the Directors and Key Managerial Personnel , of the Company or their relatives are concerned or interested in the resolution no. 10.

Item No. 11

Harrow Investment Holding Limited (HIHL), the erstwhile promoters of the Company disinvested their entire stake in the Company on July 6, 2017. Post disinvestment they requested reclassification of their status as Promoter. At its meeting held on July 27, 2017, the Board took on record the request received from HIHL. Further, as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company obtained an approval from the shareholders during November 2017.

The Company made an application to the stock exchanges for reclassification of HIHL's status as Promoter. One of the conditions under erstwhile SEBI (LODR) Regulations, for reclassifying the promoter status and recognizing the Company as professionally managed was that there shall be 'No person holding more than 1% of the paid-up equity capital of the company'. Synnex and Standard Chartered PE held more than 1%.

The Company made an application to SEBI to obtain relaxation from the condition that, there shall be 'No person holding more than 1% of the paid-up equity capital of the company'. SEBI did not accept to our request, due to policy concerns in the matter.

On November 16, 2018, SEBI modified the 'Conditions for re-classification of any person as 'promoter/public' by amending SEBI (LODR) Regulations. In particular, the condition that 'no person shall hold more than 1% of the paid-up equity capital of the company' for being considered as a professionally managed company was removed. SEBI brought in the concept of 'Listed entity with no promoter' in the place of 'Professionally Managed'.

Pursuant to SEBI (LODR) (Sixth Amendment) Regulations, 2018, the Company is now required to obtain fresh approval from the Board and shareholders of the Company for reclassifying HIHL as 'public'.

Considering the above, the Board at its meeting held on March 14, 2019 considered and approved the request of HIHL for reclassifying their status as 'public'.

The Board recommends the resolution No. 11 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 no. 11 set out in this Notice.

Item No. 12

The Company had appointed Ernst & Young LLP, Singapore (EY) as Auditors for the Branch office at Singapore for the Financial Year 2018-19, in the Annual General Meeting held on July 30, 2018. As the term of office of EY has expired, it is proposed to reappoint EY, as Auditors for the Branch office at Singapore for the Financial Year 2019-20.

The Board recommends the resolution No. 12 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 no. 12 set out in this Notice.

ANNEXURE A

Details of Directors seeking appointment / re-appointment at the Annual General Meeting as on March 31, 2019

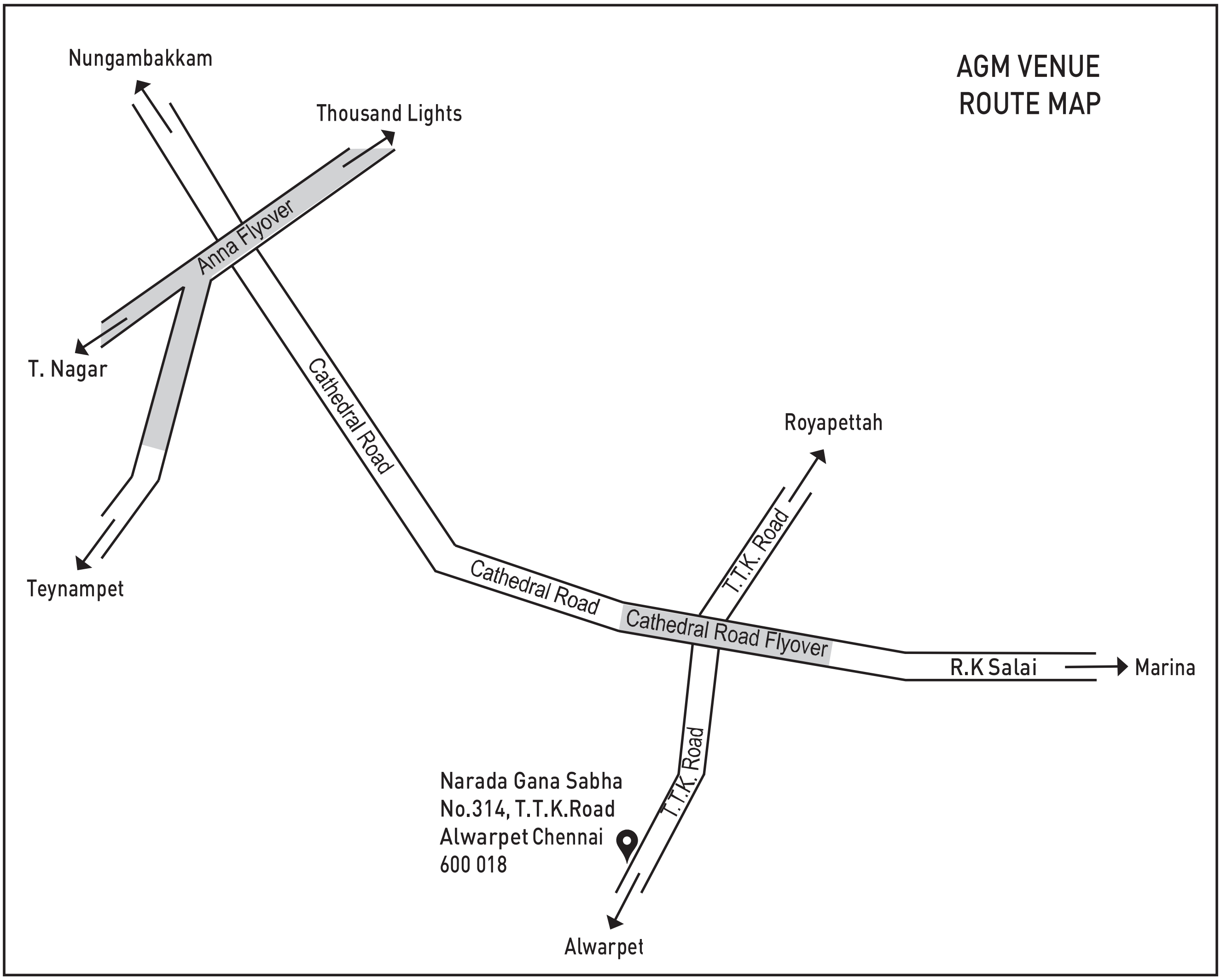
Name of the Director	Ms. Anita P Belani (DIN 01532511)	Mr.Udai Dhawan (DIN 03048040)	Ms. Chen, Yi-Ju (DIN 08031113)	Mr. S.V. Krishnan (DIN 07518349)
Date of Birth	January 19, 1964	January 17, 1973	July 09, 1972	April 21, 1973
Age	55	46	46	45
Date of Appointment / Reappointment	April 1, 2019	January 10, 2017	December 26, 2017	May 22, 2019
Experience	Ms. Anita P Belani is a seasoned professional with over 30 years of experience as a senior business & human capital leader. She is currently the Operating Partner with Gaja Capital. In her previous roles she has been the Managing Director India for Russell Reynolds Associates and has lead consulting businesses as Country Head India for Right Management and Watson Wyatt. Ms. Anita has previously worked with Sun Microsystems in San Francisco in a strategic global HR position, KPMG in the USA, Jardine Fleming and American Express TRS. She is an ICF Accredited Executive Coach and has 15 years of coaching experience under her belt having coached several C-suite level executives across various sectors. Ms. Anita takes keen interest in mentoring startups and is a key member of the Lead Angels network & 1crowd which focus on investing in early stage companies.	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 13 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 with solid experience in Corporate Finance. She joined Synnex in 2008 and now is in charge of overseas subsidiaries management and investment management. In 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 Technologies and Lite-On Group.	Mr. S.V. Krishnan is a Chartered Accountant, Cost Accountant and a Company Secretary. He has over two decades of industry experience and joined Redington in May 1998. Presently, he is the Chief Financial Officer of Redington (India) Limited. He is the Chairman of the Board of Ensure Support Services (India) Limited and is also a Director on the Board of ProConnect Supply Chain Solutions Limited. Prior to joining Redington, he was employed with Ashok Leyland Limited.
Qualifications	MBA from XLRI, Jamshedpur and B.A (Hons.) in Economics from Miranda House, University of Delhi	MBA from the Wharton School, University of Pennsylvania and is a Chartered Accountant from the Institute of Chartered Accountants of India.	Graduate in Agri-Economics from National Taiwan University, with major in International Finance.	Chartered Accountant, Cost Accountant and Company Secretary
Expertise in Specific Functional Area	Human Resources Management	Business Strategy	Corporate Finance	Corporate Finance
Directorship in other Indian Public Limited Companies other than Redington (India) Limited	1. Eternis Fine Chemicals Limited	1. Prime Focus Limited 2. Powerica Limited 3. Ocean Sparkle Limited 4. Craftsman Automation Limited	NIL	1. Ensure Support Services (India) Limited 2. ProConnect Supply Chain Solutions Limited

Membership / Chairmanship in Committees of Indian Public Limited Companies other than Redington (India) Limited	**Audit Committee:** 1. Eternis Fine Chemicals Limited **Nomination & Remuneration Committee:** 1. Eternis Fine Chemicals Limited [Chairman]	**Audit Committee :** 1. Powerica Limited 2. Ocean Sparkle Limited 3. Craftsman Automation Limited **Nomination & Remuneration Committee:** 1. Powerica Limited 2. Ocean Sparkle Limited **CSR Committee:** 1. Craftsman Automation Limited	NIL	**Audit Committee:** 1. Ensure Support Services (India) Limited 2. ProConnect Supply Chain Solutions Limited [Chairman] **Nomination & Remuneration Committee:** 1. Ensure Support Services (India) Limited **CSR Committee:** 1. ProConnect Suuply Chain Solutions Limited 2. Ensure Support Services (India) Limited
Shareholding details in the Company	NIL	NIL	NIL	50408 shares
Period of appointment	April 1, 2019 to March 31, 2022	Subject to retirement by rotation	Subject to retirement by rotation	May 22, 2019 to May 21, 2022
Relationship between the Directors, Manager and other Key Managerial Personnel Inter-se	NIL	NIL	NIL	NIL

Name of the Director	Prof. J. Ramachandran	Mr. V.S. Hariharan	Mr. Keith WF Bradley
	(DIN 00004593)	**(DIN 05352003)**	**(DIN 06564581)**
Date of Birth	June 1, 1957	April 4, 1962	November 17, 1963
Age	61	56	55
Date of Appointment / Reappointment	July 31, 2014	July 31, 2014	July 31, 2014
Experience	Prof. J. Ramachandran is a Professor of Strategy at the Indian Institute of Management, Bangalore. His research focuses on the strategic and organizational 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. His research has won multiple best paper proceedings and the IMD FDC Award from the Academy of Management, USA. He has been recognized with the Best Case Awards from various associations, including the Tata Steel IIM-B Award. Over the years, he has won multiple Best Teacher Awards at IIM Bangalore.	Mr. V.S. Hariharan has over 22 years of experience in sales, marketing, operations and general management experience across Global, Regional and Country level roles in the Information Technology Industry. Starting his career with Wipro in India, he relocated to Singapore and associated with Hewlett-Packard (HP) for more than 18 years. In HP, Mr. Hariharan held a number of positions and was promoted as Vice President leading different business ranging from Worldwide laser business, Asia Pacific Sales and Field Operations and Asia Pacific Graphic Solutions. He is the co-founder and CEO of Third Wave Power Pte Limited – a Global Business based on Solar Portable Solutions based out of Singapore.	Mr. Keith WF Bradley 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.
Qualifications	Fellow of the Indian Institute of Management, Ahmedabad and a Qualified Chartered and Cost Accountant	Graduate from IIT-Madras and an MBA from Indian Institute of Management, Bangalore	Chartered Accountant from the United Kingdom and Masters in Accounting from the Queen's University of Belfast

Expertise in Specific Functional Area	Strategic Management; International Business	Business Strategy	Business Strategy
Directorship in other Indian Public Limited Companies other than Redington (India) Limited	1. Reliance Communications Limited 2. Sasken Technologies Limited 3. Reliance Infratel Limited	1. Rex-Tone Industries Limited	NIL
Membership / Chairmanship of Committees in Indian Public Limited Companies other than Redington (India) Limited	**Audit Committee:** 1. Reliance Communications Limited 2. Sasken Technologies Limited 3. Reliance Infratel Limited **Nomination and Remuneration Committee:** 1. Reliance Communications Limited 2. Sasken Technologies Limited [Chairman] 3. Reliance Infratel Limited **CSR Committee:** 1. Reliance Communications Limited 2. Reliance Infratel Limited **Stakeholders' Relationship Committee:** 1. Reliance Communications Limited 2. Sasken Technologies Limited [Chairman]	NIL	NIL
Shareholding details in the Company	5000 shares	NIL	NIL
Period of appointment	August 1, 2019 to March 31, 2024	August 1, 2019 to March 31, 2024	August 1, 2019 to March 31, 2024
Relationship between the Directors, Manager and other Key Managerial Personnel Inter-se	NIL	NIL	NIL

For details such as number of Board Meetings attended during the year, remuneration drawn and sought to be paid, please refer to the Report on Corporate Governance which is a part of this Annual Report.


AGM VENUE
ROUTE MAP
Nungambakkam
Thousand Lights
Anna Flyover
T. Nagar
Teynampet
Cathedral Road
Cathedral Road
Royapettah
T.T.K. Road
Cathedral Road Flyover
R.K Salai
Marina
T.T.K. Road
Narada Gana Sabha
No.314, T.T.K.Road
Alwarpet Chennai
600 018
Alwarpet

NOTES:

REDINGTON (INDIA) LIMITED

Regd. Office: SPL Guindy House, 95, Mount Road, Guindy, Chennai– 600 032

CIN : L52599TN1961PLC028758
Website : www.redingtongroup.com
Email id : investors@redington.co.in Phone No.: 044 42243353
Fax No.: 044 22253799

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s): ____________________

Registered address: ____________________

E-mail Id: ____________________

Folio No/ Client Id: ____________________

DP ID: ____________________

I/We, being the member(s) of ____________________ shares of the above named company, hereby appoint

Name: ____________________

Address: ____________________

E-mail Id: ____________________

Signature: ____________________ or failing him / her

Name: ____________________

Address: ____________________

E-mail Id: ____________________

Signature: ____________________

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty Sixth Annual General Meeting of the Company, to be held on Tuesday, July 30, 2019 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	Vote	
		For	Against
1.	Adoption of Standalone Financial Statements for the year ended March 31, 2019		
2.	Adoption of Consolidated Financial Statements for the year ended March 31, 2019		
3.	Declaration of Dividend on the Equity Shares		
4.	Re-appointment of Ms.Chen, Yi-Ju (DIN: 08031113), who retires by rotation		
5.	Re-appointment of Mr. Udai Dhawan (DIN: 03048040), who retires by rotation		
6.	Appointment of Ms. Anita P Belani (DIN: 01532511) as Independent Director		
7.	Re-appointment of Prof. J. Ramachandran (DIN: 00004593) as Independent Director		
8.	Re-appointment of Mr. V.S. Hariharan (DIN: 05352003) as Independent Director		
9.	Re-appointment of Mr. Keith WF Bradley (DIN: 06564581) as Independent Director		
10.	Appointment of Mr. S V Krishnan (DIN: 07518349) as a Whole-time Director		
11.	Reclassification of Promoter Status of Harrow Investment Holding Limited as Public		
12.	Appointment of Branch Auditor		

Signed this______________day of____________________________2019.

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. The member may vote either for or against each resolution.

Redington
SEAMLESS PARTNERSHIPS

REDINGTON (INDIA) LIMITED

Regd. Office: SPL Guindy House, 95, Mount Road, Guindy, Chennai- 600 032
CIN : L52599TN1961PLC028758
Website : www.redingtongroup.com, Email id : investors@redington.co.in
Phone No.: 044 42243353, Fax No.: 044 22253799

ATTENDANCE SLIP

Twenty Sixth Annual General Meeting - 30th July 2019

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 Sixth Annual General Meeting of the Company at the Mini Hall, Narada Gana Sabha, No. 314, T.T.K Road, Alwarpet, Chennai- 600 018 on Tuesday, the 30th July 2019 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 2019 (9:00 am)	29th July 2019 (5:00 pm)

Note: Please refer to the instructions forming integral part of the notice for the Annual General Meeting.

Awards

HPE – Best Distributor 2017-18 for Attach Services – HPE Pointnext

Dell EMC - Distributor of the year

ProConnect - Best 3PL Company of the year - Hi Tech, Telecom and Electronics

INDIA

REDINGTON INDIA -

- HP – Best National Distributor – Printing Systems
- HP – Best Distributor – Thin Client & Retail Solutions
- HP Indigo – Award for Customer Business Excellence
- HPE – Best Distributor 2017-18 for Attach Services – HPE Pointnext
- IBM - Top Revenue generating VAD from the VAD managed partners
- IBM - Best in class partner leveraging software co-marketing to drive demand – South Region
- Veritas - Distributor of the year
- Dell EMC – Best Distributor for Stock & Sell
- Dell EMC - Distributor of the year
- Dell EMC – Marketing Innovation award
- McAfee – Best Co- Marketing Partner
- McAfee - Top Revenue Distributor 2017-18
- Jabra – Top Consumer Partner APAC – 2017
- Lenovo – Business Expert award for T1
- Samsung – Recognizing contribution in growing B2B mobility
- Eaton – Best Distributor Width Business – 2018
- Aruba - Coverage Distributor of the year 2018
- Cisco – The Best Practice Award 2018
- Cisco – Distribution Partner of the year Award 2017-18
- Polycom – Highest Year on Year Growth Award 2017-18
- CommScope – Milestone Award for achieving ₹ 100 crores + Business Systimax, 2017-2018
- CommScope – Best Distributor Award for Systimax, 2017-2018
- CommScope – Best Distributor Award for TE Net Connect, 2017-2018
- Veeam - Best Distributor Award in India 2017-18

PROCONNECT -

- Best-in-class After Sales Service Company of the year 2018
- Best 3PL Company of the year - Hi Tech, Telecom and Electronics

OVERSEAS

REDINGTON GULF -

- HP – Printing & Supplies Distributor of the year 2018 for PAN Middle East
- HP - Computing Distributor of the Year
- HP - Volume Distributor of the Year for East Africa
- HP - Best Performance Distributor 2017-18
- HP - Transformation Distributor of the Year 2018
- Trend Micro - Top Hybrid Cloud Security Partner
- Fortinet - Best Fortinet Growth Distributor of the Year Award MEA 2017-18
- Reseller Middle East – Value Added Distributor of the Year
- Reseller Middle East – Volume Distributor of the Year
- Kaspersky - Best Newcomer for META region
- Aruba - HPE Aruba Distribution Partner of the Year - Middle East & Africa
- Palo Alto - Cloud Distributor of the Year - EMER Partner Award 2018
- Samsung - KSA 2018 Achievement Award

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