

**Redington (India) Limited**
**Notes to the Statement of audited Standalone / Consolidated Financial Results for the Quarter / Year Ended March 31, 2022**

1. The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors of Redington (India) Limited ("the Company") at their respective meetings held on May 20, 2022, and May 21, 2022.
2. a. The above financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India, in compliance with Regulation 33 and Regulation 52 read with Regulation 63(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing regulations").  
  
b. The figures of the previous periods have been regrouped / reclassified, wherever necessary, to conform to current period's classification.  
  
c. The figures for the quarter ended March 31, 2022, and March 31, 2021, as reported in these financial results are the balancing figures between audited figures in respect of the full financial year and the published unaudited year to date figures up to the end of the third quarter of the relevant financial year.
3. The Group is engaged primarily in the business of Distribution of Information Technology & Mobility products besides supply chain solutions and after sales service. As per Ind AS 108 "Operating Segments", the disclosure of reportable segments, "India" and "Overseas" have been made in a manner consistent with internal reporting made to the Managing Director who is the Chief Operating Decision Maker for the Group.
4. Pursuant to the Order of Regional Director dated September 27, 2021, Chennai, Rajprotim Supply Chain Solutions Limited (RCS), erstwhile wholly owned subsidiary, is merged with ProConnect Supply Chain Solutions Limited (ProConnect), with an appointed date of April 1, 2020. The merger has been accounted under the 'pooling of interests' method in accordance with Appendix C of Ind AS 103 'Business Combinations', and comparatives have been restated for merger from the beginning of the previous year i.e., April 1, 2020. The reconciliation of the profits for the above periods is given below which are different from earlier reported numbers.

Particulars	Quarter ended	Year ended
	31-Mar-21	31-Mar-21
	(Audited)	(Audited)
Profit after tax reported in earlier periods	303.42	786.61
Add: Profit / (loss) on account of merger of RCS*	(0.64)	1.89
Profit after tax as per the above results	302.78	788.50

\*Tax impact on account of merger

Particulars	Year ended
	31-Mar-21
	(Audited)
Other Equity reported in earlier periods	4,855.87
Add: Impact on account of merger of RCS	4.80
Other Equity as per the above results	4,860.67



5. During the quarter ended March 31, 2022:

- a. The Company incorporated a wholly owned subsidiary "Redserv Global Solutions Limited" in India. The entity is yet to commence its operations.
- b. Liquidation process of "Ensure Technical Services Kenya Limited" a wholly owned step-down subsidiary of Redington Gulf FZE ("RGF") completed during the quarter.
- c. The SAR Share Allotment Committee of the Board of Directors of the Company has considered and approved allotment of 59,942 equity shares of ₹ 2/- each on February 18, 2022, pursuant to exercise of Stock Appreciation Rights granted under Redington Stock Appreciation Rights Scheme, 2017.

6. Subsequent to the balance sheet date,

- a. Liquidation process of "Redington Cote de Ivoire" and "Ensure Technical Services Morocco Limited (Sarl)" (wholly owned step-down subsidiaries of RGF) completed.
- b. The Board of Directors at its meeting held on May 21, 2022, has recommended a dividend of ₹ 6.60/- per equity share of ₹ 2/- each (i.e., 330% of face value) for the financial year ended March 31, 2022, subject to the approval of shareholders in the ensuing Annual General Meeting.
- c. The Board of Directors at its meeting held on May 21, 2022, has taken note of the resignation of Mr. Raj Shankar as "Vice Chairman and Non-Executive Director" of the Company. The Board also took note of the intimation about the resignation of Mr. Raj Shankar from the subsidiaries in which he held directorship.
- d. The Group has subsidiaries with operations in Turkey. Based on the information currently available, Turkey is expected to be considered a hyperinflationary economy for the reporting periods ending on or after June 30, 2022. Consequently, the subsidiaries will be required to make necessary adjustments in their financial statements in accordance with Ind AS 29 Financial Reporting in Hyperinflationary Economies.

7. Impact of COVID-19

The Group/Company has considered the possible effects of known events arising from COVID-19 pandemic in the preparation of the financial results including but not limited to its assessment of Group/Company's liquidity and going concern, recoverable values of its financial and non-financial assets. The Group/Company will continue to monitor any material changes to future economic conditions and consequential impact on its financial results.



## 8. Statement of Assets and Liabilities:

Particulars	₹. In Crores			
	Standalone		Consolidated	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
	Audited	Audited	Audited	Audited (refer note 4)
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	25.81	24.22	147.14	147.02
Capital work-in progress	84.79	-	84.83	0.29
Right-of-use-assets	19.51	20.36	206.28	177.09
Investment property	46.44	49.12	-	-
Goodwill	-	-	61.70	18.30
Other intangible assets	14.56	26.78	284.96	262.37
Intangible assets under development	-	-	0.56	0.65
<b>Financial assets</b>				
Investments in subsidiaries and associate	667.98	639.98	-	-
Others financial assets	1.66	2.58	18.63	70.49
Deferred tax assets (net)	23.28	16.09	38.48	51.12
Income tax assets (net)	98.32	99.18	105.08	115.71
Other non-current assets	72.93	75.81	101.85	60.77
<b>Total non-current assets</b>	<b>1,055.28</b>	<b>954.12</b>	<b>1,049.51</b>	<b>853.81</b>
<b>Current assets</b>				
Inventories	1,851.27	1,060.68	4,383.04	2,902.11
<b>Financial assets</b>				
Trade receivables	3,860.66	2,813.80	8,675.16	6,800.67
Cash and cash equivalents	873.18	303.45	3,289.54	2,938.58
Other bank balances	2.84	0.21	369.76	554.39
Loans	-	20.00	-	-
Other financial assets	38.10	28.08	226.89	198.80
Other current assets	185.82	81.04	414.99	305.51
<b>Total current assets</b>	<b>6,811.87</b>	<b>4,307.26</b>	<b>17,359.38</b>	<b>13,700.06</b>
Assets held for sale	-	0.10	7.01	8.00
<b>Total assets</b>	<b>7,867.15</b>	<b>5,261.48</b>	<b>18,415.90</b>	<b>14,561.87</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity share capital	156.29	77.84	156.29	77.84
Other equity	2,392.53	1,989.89	5,628.66	4,800.67
<b>Equity attributable to the shareholders of the Company</b>	<b>2,548.82</b>	<b>2,067.73</b>	<b>5,784.95</b>	<b>4,938.51</b>
Non-controlling interests	-	-	322.75	372.97
<b>Total equity</b>	<b>2,548.82</b>	<b>2,067.73</b>	<b>6,107.70</b>	<b>5,311.48</b>
<b>Share Application Money Pending Allotment</b>	-	-	-	-
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
<b>Financial liabilities</b>				
Borrowings	-	-	90.14	4.56
Lease liabilities	13.32	14.23	138.25	122.41
Trade payables	-	-	-	-
(A) total outstanding dues of micro enterprises and small enterprises	-	-	-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	6.99	-	6.99	-
Other financial liabilities	-	-	7.26	6.53
Provisions	31.29	26.00	155.01	127.02
Deferred tax liabilities (net)	-	-	8.47	2.75
<b>Total non-current liabilities</b>	<b>51.60</b>	<b>40.23</b>	<b>406.12</b>	<b>263.27</b>
<b>Current liabilities</b>				
<b>Financial liabilities</b>				
Borrowings	0.16	0.99	542.65	440.42
Lease liabilities	7.71	7.27	59.72	4.52
Trade payables	-	-	-	-
(A) total outstanding dues of micro enterprises and small enterprises	12.76	4.49	13.46	4.49
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	4,841.15	2,741.40	10,140.74	7,295.46
Other financial liabilities	95.04	137.03	210.40	222.13
Other current liabilities	243.20	198.00	741.98	803.32
Provisions	3.11	3.32	26.54	24.40
Current tax liabilities (net)	63.60	61.02	166.59	142.38
<b>Total current liabilities</b>	<b>5,266.73</b>	<b>3,153.52</b>	<b>11,902.08</b>	<b>8,987.12</b>
<b>Total liabilities</b>	<b>5,318.33</b>	<b>3,193.75</b>	<b>12,308.20</b>	<b>9,250.39</b>
<b>Total equity and liabilities</b>	<b>7,867.15</b>	<b>5,261.48</b>	<b>18,415.90</b>	<b>14,561.87</b>



## 9. Statement of Cash flows

Particulars	₹. In Crores			
	Standalone For the year ended March 31, 2022	Standalone For the year ended March 31, 2021	Consolidated For the year ended March 31, 2022	Consolidated For the year ended March 31, 2021
<b>A. Cash flow from operating activities</b>				
Profit for the year	935.07	263.33	1,314.87	788.50
Adjustments for:				
- Income tax expense recognised in profit and loss	169.33	204.39	307.49	39.63
- Depreciation and amortisation expense	30.15	27.83	141.28	48.20
- Finance costs	7.20	42.43	115.59	156.44
- Interest income	(9.58)	(23.96)	(42.44)	(56.62)
- Stock compensation expense	-	1.58	-	1.84
- Impairment of goodwill and other intangibles	-	-	-	6.34
- Allowance for impairment of trade receivables and other financial assets (including bad debts written off)	48.25	16.79	80.70	51.71
- Gain on disposal of a subsidiary	-	(26.10)	-	(4.40)
- Dividend income from subsidiaries	(452.28)	-	-	-
- Income received from short-term investments	(4.73)	(1.69)	(4.73)	(1.87)
- Unrealised exchange (gain) / loss (net)	(5.16)	1.06	(20.34)	(0.84)
- Gain on modification of leases	(0.09)	(1.53)	(0.09)	(1.53)
- Loss on change in fair value of property held for sale	-	-	1.16	-
- Loss on sale of intangible assets (net)	-	-	0.09	0.26
- Gain on sale of property, plant and equipment (net)	(2.84)	(1.70)	(3.59)	(1.29)
<b>Operating profit before working capital changes</b>	<b>715.32</b>	<b>502.43</b>	<b>1,889.99</b>	<b>1,426.37</b>
(Increase) / Decrease in trade receivables	(1,091.80)	(28.67)	(1,459.95)	23.72
(Increase) / Decrease in other assets	(108.46)	31.38	(120.37)	8.09
(Increase) / Decrease in inventories	(790.59)	57.70	(1,296.63)	690.14
(Decrease) / Increase in other liabilities	0.44	(0.65)	(97.84)	398.12
Increase in trade payable	2,114.95	458.40	2,338.91	1,200.92
Increase in provisions	2.51	3.20	11.45	12.92
<b>Cash generated from operations</b>	<b>842.57</b>	<b>1,023.79</b>	<b>1,265.56</b>	<b>3,760.28</b>
Income taxes paid (net)	(172.47)	(153.79)	(276.36)	(33.39)
<b>Net cash generated from operating activities</b>	<b>670.10</b>	<b>870.00</b>	<b>989.20</b>	<b>3,496.89</b>
<b>B. Cash flow from investing activities</b>				
Payment towards acquisition of property, plant and equipment	(94.05)	(4.67)	(117.75)	(33.04)
Payment towards acquisition of other intangible assets	(1.54)	(1.08)	(8.08)	(14.98)
Proceeds from sale of property, plant and equipment and other intangible assets	4.48	2.22	6.77	10.00
Interest received	9.58	23.96	39.90	52.92
Dividend income from Subsidiaries	452.28	-	-	-
Income received from short-term investments	4.73	1.69	4.73	1.87
Loans given to subsidiary	-	(42.00)	-	-
Loans settled by subsidiary	20.00	22.00	-	-
Changes in bank deposits not treated as cash and cash equivalents	(0.01)	-	202.91	(538.50)
Proceeds from disposal of subsidiary (net of directly attributable expenses and cash disposed off, as applicable)	-	30.60	-	24.91
Investment in subsidiaries	(28.00)	-	-	-
Acquisition of subsidiary, net of cash and cash equivalents acquired	-	-	(185.00)	-
<b>Net cash generated from / (used in) from investing activities</b>	<b>367.47</b>	<b>32.72</b>	<b>(56.52)</b>	<b>(496.82)</b>
<b>C. Cash flow from financing activities</b>				
Proceeds from short-term borrowings (net)	-	(445.79)	88.36	(1,243.43)
Repayment of short-term borrowings	(0.83)	(715.95)	(1.84)	(752.01)
Proceeds from long-term borrowings	-	-	88.36	-
Repayment of long-term borrowings	-	-	(14.02)	(7.02)
Proceeds from allotment of shares under Stock Appreciation Right Scheme	0.32	0.02	0.32	0.02
Dividends paid	(453.07)	-	(453.07)	-
Dividend paid by step-down subsidiary to non-controlling shareholders	-	-	(7.63)	-
Finance costs paid	(5.51)	(44.10)	(108.81)	(143.55)
Acquisition of non-controlling interest	-	-	-	(0.31)
Payment of lease liabilities	(8.75)	(10.78)	(67.78)	(94.75)
<b>Net cash (used in) financing activities</b>	<b>(467.84)</b>	<b>(1,216.60)</b>	<b>(476.11)</b>	<b>(2,241.05)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>569.73</b>	<b>(313.88)</b>	<b>456.57</b>	<b>759.02</b>
Cash and cash equivalents at the beginning of the year	303.45	617.33	2,925.26	2,279.30
Effect of exchange differences on restatement of foreign currency cash and cash equivalents	-	-	(110.45)	(113.06)
<b>Cash and cash equivalents at the end of the year</b>	<b>873.18</b>	<b>303.45</b>	<b>3,271.38</b>	<b>2,925.26</b>
<b>Reconciliation of Cash and cash equivalents with the Balance Sheet</b>				
<b>Cash and cash equivalents at the end of the period as per Balance Sheet</b>	873.18	303.45	3,289.54	2,938.58
Less: Bank overdrafts and cash credit facilities used for cash management purposes	-	-	18.16	13.32
<b>Cash and cash equivalents at the end of the period</b>	<b>873.18</b>	<b>303.45</b>	<b>3,271.38</b>	<b>2,925.26</b>



10. The Company had listed its commercial papers in the bourses of BSE. However, there are no commercial papers outstanding as at March 31, 2022, and March 31, 2021.

Pursuant to such listing, below are the details of Redington (India) Limited on a standalone basis required as per Regulation 52(4) of the Listing Regulations:

Particulars	Year ended March 31, 2022 (Audited)	Year ended March 31, 2021 (Audited)
Debt service coverage ratio (no. of times) [refer note (a)]	91.57	12.02
Interest service coverage ratio (no. of times) [refer note (b)]	(475.00)	21.24
Debt equity ratio (no. of times) [refer note (c)]	(0.47)	(0.21)
Net worth [refer note (d)] (₹ in crores)	2,548.82	2,067.73
Capital redemption reserve (₹ in crores)	-	2.22
Earnings per share (EPS)*		
(a) Basic EPS (₹)	11.98	3.38
(b) Diluted EPS (₹)	11.97	3.38
Net profit after tax* (₹ in crores)	935.07	263.33
Current ratio (no. of times) [refer note (e)]	1.29	1.37
Current liability ratio (no. of times) [refer note (f)]	0.99	0.99
Long term debt to working capital (no. of times) [refer note (g)]	-	-
Bad debts to Accounts receivable ratio (no. of times) [refer note (h)]	0.01	0.01
Total debts to Total assets ratio (no. of times) [refer note (i)]	^	^
Debtors turnover (no. of times) [refer note (j)]	8.10	8.09
Inventory turnover (no. of times) [refer note (k)]	17.78	20.07
Operating margin (%) [refer note (l)]	2.44%	2.25%
Net Profit margin (%) [refer note (m)]	1.79%	1.16%

^ Represents value less than 0.01.

\* Net profit after tax excluding dividend income and one-off tax expenses in respect of earlier years is ₹ 482.79 (PY: ₹ 263.33) and related EPS is ₹ 6.18 (PY: ₹ 3.38)

Formulae for calculation of ratios are as follows:

- (a) Debt service coverage ratio = (Profit/(loss) before tax – Dividend income + Finance cost) / (Finance cost + Repayment of Long-term loans during the year)  
For the purpose of calculation, loans having original maturity of more than 360 days are considered as Long-term loans.
- (b) Interest service coverage ratio\*\* = (Profit/(loss) from ordinary activities before tax – Dividend income + Finance cost – Interest income earned on surplus funds) / (Finance cost – Interest income earned on surplus funds).
- (c) Debt equity ratio = (Total debt – Cash and cash equivalents) / (Total equity – Investments in subsidiaries)
- (d) Net worth = Equity share capital + Other equity
- (e) Current ratio = Current assets / Current liabilities
- (f) Current liabilities ratio = Current liabilities / Total liabilities
- (g) Long term debt to Working capital = Long term borrowings (including current portion of long-term borrowings) / Working capital  
Working capital = Current assets (excluding Assets classified as held for sale) - Current liabilities (excluding current maturities of long term debt, interest accrued on borrowings).
- (h) Bad debts to Accounts receivable ratio = Bad debts / Trade receivables
- (i) Total debts to Total assets ratio = (Non-current borrowings + Current borrowings) / Total assets
- (j) Debtors' turnover ratio (annualized) = Revenue from operations / Average Trade receivables
- (k) Inventory turnover ratio (annualized) = (Purchases of traded goods + Changes in inventories of traded goods) / Average Inventories
- (l) Operating margin (%) = (Profit before tax + Finance costs – Dividend income) / Revenue from operations



(m) Net profit margin (%) = Net profit after tax excluding dividend income and tax expenses in respect of earlier years / Revenue from operations

\*\* Since interest income has been obtained from surplus funds, the same has been adjusted with interest expense for interest service coverage ratio computation.

11. The Standalone and Consolidated financial results of the Company for the Quarter / Year Ended March 31, 2022 have been filed with the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) and are available in Company's website [www.redingtongroup.com](http://www.redingtongroup.com).

**For Redington (India) Limited**



**S V Krishnan**  
**Whole-time Director and**  
**Global Chief Financial Officer**

**Place : Chennai**  
**Date : May 21, 2022**

