

Redington Limited (formerly Redington (India) Limited)**Notes to the Statement of Unaudited Standalone / Consolidated Financial Results for the Quarter / Half-Year Ended September 30, 2022**

1. The above financial results have been reviewed by the Audit Committee on November 1, 2022 and approved by the Board of Directors of Redington Limited ("the Company") at their meeting held on November 2, 2022.
2. The above financial results comprises the Unaudited financial results of the Company and its subsidiaries (collectively referred to as 'the Group') and the Group's interest in its associate.
3. A Limited review of the unaudited standalone and consolidated financial results of the Company has been carried out by the statutory auditors. A similar review of the financial results of the subsidiaries / associate has been conducted by the respective statutory auditors, as applicable.
4.
 - a. The above financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and 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 Ind AS financial results of the Group for the quarter and half-year ended September 30, 2021, and year ended March 31, 2022, were reviewed / audited by M/s BSR & Co LLP Chartered Accountants, the predecessor auditor who have expressed an unmodified review conclusion/ opinion.
5. Disclosure of reportable segments have been made in a manner consistent with internal reporting to the Managing Director who is the Chief Operating Decision Maker ("CODM") for the Group, in line with provisions of Ind AS 108, *Operating Segment*. During the quarter ended June 30, 2022, the Company had revised the reporting segments as "SISA" (Singapore, India & South Asia) and "ROW" (Rest of the World) (previously reported as "India" and "Overseas"), in line with the revised internal reporting. Accordingly, the previous period figures have been restated to conform to the revised segment presentation.
6. During the quarter ended September 30, 2022:
 - a. The Company's name was changed from "Redington (India) Limited" to "Redington Limited" with effect from August 23, 2022.
 - b. Registered office of the company has been shifted to "Block 3, Plathin, Redington Tower, Inner Ring Road, Saraswathy Nagar West, 4th Street, Puzhuthivakkam, Chennai 600 091, Tamil Nadu, India" w.e.f. September 1, 2022, after the consent of the Board of Directors on their meeting held on August 3, 2022.
 - c. Liquidation process of "Ensure Ghana Limited" (wholly owned step-down subsidiary of RGF) was completed.
7. During the current period, the three-year cumulative consumer price index in Turkey exceeded 100%. Consequently, the provisions of Ind AS 29, "Financial Reporting in Hyperinflationary Economies", has been applied with effect from April 1, 2022, in respect of step-down subsidiaries having "Turkish Lira" as functional currency. The impact on the consolidated financial results is not significant.
8. Subsequent to the quarter, the SAR Share Allotment Committee of Directors of the Company has considered and approved allotment of 10,136 equity shares of ₹ 2/- each on October 7, 2022, pursuant to exercise of Stock Appreciation Rights granted under Redington Stock Appreciation Rights Scheme, 2017.



9. Statement of Assets and Liabilities:

Particulars	₹. in Crores			
	Standalone		Consolidated	
	As at September 30, 2022	As at March 31, 2022	As at September 30, 2022	As at March 31, 2022
	Unaudited	Audited	Unaudited	Audited
ASSETS				
Non-current assets				
Property, plant and equipment	112.32	25.81	238.13	147.14
Capital work-in progress	32.53	84.79	32.82	84.83
Right-of-use-assets	15.43	19.51	218.63	206.28
Investment property	-	46.44	-	-
Goodwill	-	-	74.65	61.70
Other intangible assets	13.03	14.56	301.30	284.96
Intangible assets under development	-	-	-	0.56
Financial assets				
Investments in subsidiaries and associate	667.98	667.98	-	-
Others financial assets	1.96	1.66	21.01	18.63
Deferred tax assets (net)	25.71	23.28	42.97	38.48
Income tax assets (net)	58.75	98.32	67.05	105.08
Other non-current assets	69.64	72.93	103.16	101.85
Total non-current assets	997.35	1,055.28	1,099.72	1,049.51
Current assets				
Inventories	2,736.58	1,851.27	6,778.09	4,383.04
Financial assets				
Trade receivables	4,583.38	3,860.86	10,623.43	8,675.16
Cash and cash equivalents	172.46	873.18	1,736.86	3,289.54
Other bank balances	1.60	2.84	183.98	369.76
Loans	-	-	-	-
Other financial assets	57.59	38.10	337.73	226.89
Other current assets	264.73	185.82	614.75	414.99
Total current assets	7,816.34	6,811.87	20,274.84	17,359.38
Assets held for sale	46.28	-	7.91	7.01
Total assets	8,859.97	7,867.15	21,382.47	18,415.90
EQUITY AND LIABILITIES				
Equity				
Equity share capital	156.29	156.29	156.29	156.29
Other equity	2,683.20	2,392.53	6,063.95	5,628.66
Equity attributable to the shareholders of the Company	2,839.49	2,548.82	6,220.24	5,784.95
Non-controlling interests	-	-	334.60	322.75
Total equity	2,839.49	2,548.82	6,554.84	6,107.70
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	-	-	62.53	90.14
Lease liabilities	9.70	13.32	123.06	138.25
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	7.26	6.99	7.26	6.99
Other financial liabilities	-	-	7.10	7.26
Provisions	32.63	31.29	176.95	155.01
Deferred tax liabilities (net)	-	-	9.51	8.47
Total non-current liabilities	49.59	51.60	386.41	406.12
Current liabilities				
Financial liabilities				
Borrowings	350.00	0.16	1,627.92	542.65
Lease liabilities	7.32	7.71	83.33	59.72
Trade payables	-	-	-	-
(A) total outstanding dues of micro enterprises and small enterprises	4.57	12.76	4.57	13.46
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	5,239.84	4,841.15	11,450.91	10,140.74
Other financial liabilities	102.92	95.04	240.70	210.40
Other current liabilities	202.22	243.20	858.05	741.98
Provisions	4.10	3.11	32.76	26.54
Current tax liabilities (net)	59.92	63.60	142.98	166.59
Total current liabilities	5,970.89	5,266.73	14,441.22	11,902.08
Total liabilities	6,020.48	5,318.33	14,827.63	12,308.20
Total equity and liabilities	8,859.97	7,867.15	21,382.47	18,415.90



10. Statement of Cash flows

Particulars	₹. In Crores			
	Standalone		Consolidated	
	For the half year ended September 30, 2022	For the half year ended September 30, 2021	For the half year ended September 30, 2022	For the half year ended September 30, 2021
A. Cash flow from operating activities				
Profit for the year	805.59	674.16	718.25	562.24
Adjustments for:				
- Income tax expense recognised in profit and loss	108.50	78.43	166.28	129.85
- Depreciation and amortisation expense	12.41	18.05	73.60	70.95
- Finance costs	14.11	4.79	91.32	58.66
- Interest income	(0.19)	(1.32)	(19.89)	(15.81)
- Allowance for impairment of trade receivables and other financial assets (including bad debts written off)	(1.03)	8.66	35.52	23.91
- Dividend income from subsidiaries	(491.93)	(452.28)	-	-
- Income received from short term investments	(0.45)	(1.79)	(0.45)	(1.79)
- Impact on account of application of Ind AS 29	-	-	(13.65)	-
- Unrealised exchange gain (net)	9.09	(2.55)	9.09	(2.55)
- Gain on modification of leases	-	(0.02)	(0.02)	(0.02)
- Gain on sale of property, plant and equipment (net)	(1.03)	(1.82)	(1.25)	(2.25)
Operating profit before working capital changes	455.07	324.31	1,058.80	823.19
Increase in trade receivables	(725.55)	(161.87)	(1,612.06)	(365.04)
Increase in other assets	(89.29)	(14.99)	(268.31)	(47.26)
Increase in inventories	(885.31)	(139.76)	(2,158.77)	(49.35)
(Decrease) / Increase in other liabilities	(27.17)	(31.80)	100.34	(64.07)
Increase in trade payables	369.13	1,048.64	887.53	1,163.13
Increase in provisions	0.99	1.84	12.38	8.93
Cash generated from operations	(903.13)	1,024.57	(1,980.09)	1,489.53
Income taxes paid (net)	(75.29)	(79.06)	(165.53)	(152.43)
Net cash generated from operating activities	(978.42)	945.51	(2,145.62)	1,337.10
B. Cash flow from investing activities				
Payment towards acquisition of property, plant and equipment	(34.03)	(85.40)	(46.82)	(96.95)
Payment towards acquisition of other intangible assets	(0.95)	(0.04)	(5.77)	(3.59)
Proceeds from sale of property, plant and equipment and other intangible assets	3.31	2.75	4.40	3.28
Interest received	0.19	1.32	18.97	14.14
Dividend income from Subsidiaries	491.93	452.28	-	-
Income received from short-term investments	0.45	1.79	0.45	1.79
Loans settled by subsidiary	-	20.00	-	-
Purchase of short term investments	-	(400.00)	-	(400.00)
Changes in bank deposits not treated as cash and cash equivalents	-	(0.01)	202.42	(120.67)
Payment of share application money towards subsidiary	-	(21.00)	-	-
Net cash used in investing activities	460.90	(28.31)	173.65	(602.00)
C. Cash flow from financing activities				
Proceeds from short-term borrowings (net)	349.84	-	981.57	(30.46)
Repayment of short-term borrowings	-	(0.51)	-	(0.51)
Repayment of long-term borrowings	-	-	(40.95)	(10.44)
Proceeds from allotment of shares under Stock Appreciation Right Scheme, Dividends paid	(515.77)	(453.07)	(515.77)	(453.07)
Dividend paid by step-down subsidiary to non-controlling shareholders	-	-	(6.21)	(7.39)
Finance costs paid	(13.01)	(3.98)	(89.80)	(50.42)
Payment of lease liabilities	(4.26)	(4.36)	(42.22)	(36.36)
Net cash used in financing activities	(183.20)	(461.63)	286.62	(586.36)
Net increase in cash and cash equivalents	(700.72)	455.57	(1,685.35)	146.72
Cash and cash equivalents at the beginning of the year	873.18	303.45	3,271.38	2,925.26
Effect of exchange differences on restatement of foreign currency cash and cash equivalents	-	-	82.45	0.95
Cash and cash equivalents at the end of the period	172.46	759.02	1,668.48	3,072.93
Reconciliation of Cash and cash equivalents with the Balance Sheet				
Cash and cash equivalents at the end of the period as per Balance Sheet	172.46	759.02	1,736.86	3,073.63
Less: Bank overdrafts and cash credit facilities used for cash management purposes	-	-	68.38	0.70
Cash and cash equivalents at the end of the period	172.46	759.02	1,668.48	3,072.93



11. The Company has listed its commercial papers in the bourses of BSE and pursuant to such listing, below are the details computed based on standalone financial information of Redington Limited pursuant to Regulation 52(4) of the Listing Regulations:

Particulars	Quarter ended September 30, 2022 (Unaudited)	Quarter ended June 30, 2022 (Unaudited)	Quarter ended September 30, 2021 (Unaudited)	Half-year ended September 30, 2022 (Unaudited)	Half-year ended September 30, 2021 (Unaudited)	Year ended March 31, 2022 (Audited)
Debt service coverage ratio (no. of times) [refer note (a)]	21.17	63.90	111.41	30.92	63.70	91.57
Interest service coverage ratio (no. of times) [refer note (b)]	21.88	69.66	(424.08)	32.34	117.40	(475.00)
Debt equity ratio (no. of times) [refer note (c)]	0.08	^	(0.70)	0.08	(0.70)	(0.47)
Net worth [refer note (d)] (₹ in crores)	2,839.49	2,698.35	2,286.42	2,839.49	2,286.42	2,548.82
Capital redemption reserve (₹ in crores)	-	-	-	-	-	-
Earnings per share (EPS) (₹)	8.39	1.92	7.41	10.31	8.64	11.98
(b) Diluted EPS (₹)	8.39	1.92	7.41	10.31	8.64	11.97
Net profit after tax (₹ in crores)	655.74	149.85	578.57	805.59	674.16	935.07
PAT excluding dividend income (₹ in crores)	163.81	149.85	126.29	313.66	221.88	482.79
Current ratio (no. of times) [refer note (e)]	1.31	1.38	1.31	1.31	1.31	1.29
Current liability ratio (no. of times) [refer note (f)]	0.99	0.99	0.99	0.99	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
Total debts to Total assets ratio (no. of times) [refer note (i)]	0.04	0.02	-	0.04	-	^
Debtors turnover (no. of times) [refer note (j)]	7.96	7.80	7.89	7.65	8.38	8.10
Inventory turnover (no. of times) [refer note (k)]	13.62	15.00	16.94	13.47	20.55	17.78
Operating margin (%) [refer note (l)]	2.69%	2.70%	2.53%	2.59%	2.51%	2.44%
Net Profit margin (%) [refer note (m)]	1.91%	1.97%	1.86%	1.94%	1.83%	1.79%

^ Represents value less than 0.01.



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Formulae for calculation of ratios are as follows:

- (a) Debt service coverage ratio = $(\text{Profit/(loss) before tax} - \text{Dividend income} + \text{Interest expenses}) / (\text{Interest expenses} + \text{Repayment of Long-term loans during the year})$
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** = $(\text{Profit/(loss) from ordinary activities before tax} - \text{Dividend income} + \text{Interest expenses} - \text{Interest income earned on surplus funds}) / (\text{Interest expenses} - \text{Interest income earned on surplus funds})$.
- (c) Debt equity ratio = $(\text{Total debt} - \text{Cash and cash equivalents} - \text{Short term investments}) / (\text{Total equity} - \text{Investments in subsidiaries})$
- (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 = $(\text{Non-current borrowings} + \text{Current borrowings}) / \text{Total assets}$
- (j) Debtors turnover ratio (number of times) (annualized) = Revenue from operations / Average Trade receivables
- (k) Inventory turnover ratio (number of times) (annualized) = $(\text{Purchases of traded goods} + \text{Changes in inventories of traded goods}) / \text{Average Inventories}$
- (l) Operating margin (%) = $(\text{Profit before tax} + \text{Finance costs} - \text{Dividend income}) / \text{Revenue from operations}$
- (m) Net profit margin (%) = Net profit after tax excluding dividend income / 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.

12. The Standalone and Consolidated financial results of the Company for the Quarter / Half-Year Ended September 30, 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.

Place : Chennai
Date : November 2, 2022

For Redington Limited



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

