Redington
SEAMLESS PARTNERSHIPS

REDINGTON (INDIA) LIMITED
ANNUAL REPORT 2020-21

Resilience
against all odds

The Power of 3Rs

Resetting
goals & objectives

Reimagining
business model

What's where

To view this report online, visit
www.redingtongroup.com

Forward-Looking Statement

In this annual report, we have disclosed forward looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically make, may contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. While these forward looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties, inaccurate assumptions and other unknown factors could cause actual developments and results to differ materially from our expectations.

These factors include, but are not limited to, general market, macroeconomic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance.

Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

The Power of 3Rs

From a pure play box distributor in 90's to an integrated IT & Mobility Products, Services & Solutions provider today, Redington's journey has been about the Power of 3Rs – Resilience, Reimagining and Resetting.

Our people have been the backbone in this journey, enabling us to chart new territories and claim opportunities with adaptability and agility. Their commitment and determination has helped us face the uncertainties with confidence and insulate our business performance.

We have managed to mitigate business risks as we reimagined our business models to remain ahead of the curve with our diversified portfolio and markets.

Redington is future-ready and resetting its business purpose and objective to become the "go-to" organization for partners, vendors and customers that are looking for cutting-edge technology services and solutions under one-roof.

We are Redington India

An integrated IT & Mobility Products, Services & Solutions Provider

With over 25 years of proud business legacy, Redington India is today one of the most trusted distributor of technology & mobility products and solutions across more than 37 markets in Emerging goes covering India, Singapore, South Asia, Middle East, Africa & Turkey. In India, its wholly-owned subsidiary, ProConnect, is a value-added 3PL Supply Chain Solutions partner for over 145 Customers across multiple industry segments.

Established in 1993, we have constantly moved up the distribution value chain to establish ourselves as a close No. 2 Technology & Mobility distributor in India, while consolidating our position as the No. 1 distributor in Middle East and Africa over more than a decade.

Automated Distribution Centre

Our Business Spread & Geographical Reach

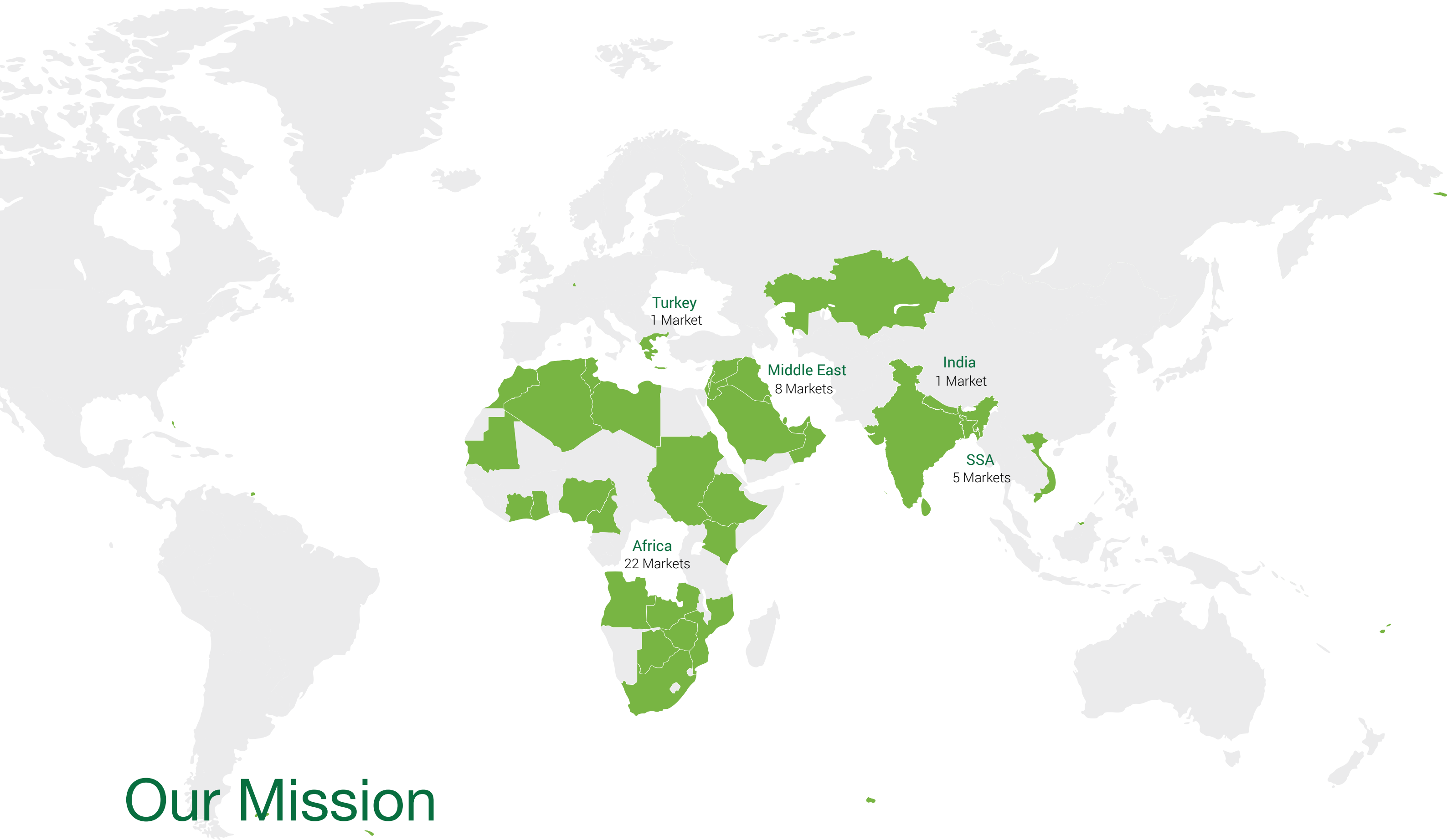
33,950+ Channel Partners

37+ Markets

235+ Leading Brands

70+ Sales Offices

Global Reach



Our Mission

“To offer a robust technology-powered platform to enable a seamless flow of products and services”

Our Values

Adaptability
To quickly and effectively change and grow with the global and regional markets

Collaboration
With our customers and our suppliers, we put our heads together to get the job-done

Know-how
Our technical and market expertise runs deep

Objectivity
We work with open minds and no bias – other than making our customers successful

Simplicity
We believe in keeping things simple, both for the customers and organization

Trust
Reflected throughout the Company communication, trust is a pre-requisite for us to achieve a synergy with both internal as well as external stakeholders

Transparency
We believe in openness and promote it within the organization

Our Investor Value Proposition

A highly knowledgeable Board of Directors with diversified experience

Your Company is fortunate to be governed by a Board of Directors with deep knowledge and experience of all facets. Their advice and guidance has been enabling us to successfully manage the large scale of operations spread across several emerging markets with differentiated opportunities and challenges. With expertise in areas of Corporate Governance, Strategy, Business, Finance, Talent Development & Management and insights into the business that your Company is engaged in, the Board's strong engagement with the Management team has been instrumental towards our continued success.

Strong, stable & highly capable Management Team

Your Company is very ably led by a group of highly experienced professionals, possessing deep knowledge not only of the dynamics of the businesses that it engages in, but also of the politico-socio-economic nuances of the markets it does business in. The leadership team has remained stable over many years and enjoys very strong engagements with all the vendors and the customers. While guiding a team of committed colleagues in delivering industry leading operational excellence, the leaders also ensure that the strategic direction of your Company remains well aligned to the changes & developments in the business eco-system.

Enviable track record of Shareholder returns

Sharp focus on Financial & Business discipline has resulted in your Company receiving a credit rating of A1+ for short-term debt since listing and long-term debt rating was started during 2008 with A+/Stable, that has been subsequently upgraded over a period of time by two notches to AA/Positive at present. The short-term instrument issued with A1+ rating are considered to carry lowest credit risk and is the highest possible rating in this category.

A commitment towards Profitable Growth has resulted in a Revenue CAGR of 14% and Profit CAGR of 15% since listing. In actual fact, your Company has delivered Revenue and Profit growth every single year since listing; a record that we are extremely proud of.

Consistent Profit growth has allowed us to offer consistently higher returns on your investment in your Company, by way of Dividend payouts. We have been extremely mindful of protecting shareholder interest and have attempted to maximise shareholder return every year after due consideration of the capital required for growth of our business.

The 3 Rs that define us

"R" for Resilience – In the face of challenges

Resilience determines the longevity of an organization. It sets a Company apart through continued and long-term success. It is defined by the strength, determination and an unyielding attitude in the face of adverse conditions.

Over the two decades plus of our existence, your Company has encountered periods of great uncertainty, including multiple global economic meltdowns, fiscal shocks to nations caused by both – very high as well as very low oil prices, social and political unrests, extremism and complex changes in the regulatory regimes. Your Company has successfully weathered the trials & tribulations imposed by these challenges to deliver a consistent & unbroken record of Revenue & Profit growth since its inception.

The highly committed and talented professionals working for your Company have learnt the art of insulating the Company's business performance from such uncertainties, through risk mitigation by way of diversified portfolio and markets.

"R" for Reimagining - The Redington of the future

Your Company is engaged in an industry which is morphing at a very rapid pace. The pace at which Information Technology, our products and their usage is changing, has accelerated over the past few years.

Your Company has constantly evolved over the years and has continuously reimagined its sense of purpose and organizational objectives. This has necessitated that we keep pace with the present, have a clear view of the future and, modify and tailor our offerings, product positioning and business approach sufficiently ahead of time, in order to remain firmly ahead of the changing business dynamics.

Today, your Company is in the process of reimagining its future as a fully digitalized, services-led, end-customer focused business partners for its vendors and dealers. The Redington of the Future is an agile, highly efficient, technology services provider with our own unique IPs that offer differentiated value proposition to our customers.

"R" for Resetting – Objectives & Goals

Your Company's primary objective is of being an organization that consistently delivers profitable growth while maintaining the highest levels of commitment towards Environmental, Social & Corporate Governance responsibilities.

As we rapidly transition towards becoming a fully Digital Organization, the pivot of our emphasis is shifting to acquiring the infrastructure, talents, skills and capabilities required to fully align ourselves to the rapidly evolving socio-economic and business eco-system. Our objective is to quickly become a highly tech-enabled Company that offers a differentiated value-add to the business partners and provids great customer experience. Your Company's goal is to become the "go-to" organization for customers looking for solutions in the technology space which help them achieve their business outcome and which solve their business problems. With strong capabilities in the field of Cloud, AI, ML, IoT, Analytics and Cyber Security, your Company will leverage these emerging technologies to help customers do their business better, faster, seamlessly, in a more cost-effective manner with higher degree of agility.

Message from the Vice-Chairman & Managing Director

Dear Shareholders,

I begin by thanking you – all our Shareholders, for supporting us and standing by us, through good times and through challenging times.

I raise a toast to all my extraordinary colleagues, who, over many years, have given this great Company of yours, the highest possible levels of commitment, dedication and unqualified support.

I wish to express my deep gratitude to all our Business Partners – Vendors and Dealers, who continue to bestow their confidence in your Company.

My sincere appreciation for the whole-hearted support that we have received at all times from our bankers and our auditors.

My heartfelt thanks to the Members of Redington's Board, whose guidance, advice and support has been invaluable, especially during one of the most momentous periods in your Company's history.

FY21 was unprecedented. An unknown virus, originating from deep within China in December 2019, had, by March 2020, spread across the Globe like a wildfire, in the form of a pandemic, aided by a supremely mobile & connected society. All of us are acutely aware of how this has fundamentally changed our lives. Many sectors of the economy, especially those engaged in Hospitality, Travel, Tourism, Entertainment and a multitude of Small & Medium businesses have witnessed closures for long durations, leading to loss of livelihood for millions. Rapid vaccination is now the single most important agenda for most National Governments.

The widespread "Engage-from-Home" has required individuals, societies, businesses & governments to turn to technology in order to evolve a working model and this placed your Company in an advantageous position. Demand for IT & Mobility products, which help people engage with each other, witnessed a tremendous surge in demand and your Company's position as a premier distributor of such products enabled it to fully capitalize on this opportunity.

But this required planning, discipline and preparedness. As I had reported last year, we quickly devised a customized play-book to ensure the highest possible degree of Risk Mitigation & Business Preparedness. The principle of 7Cs (Cash Flow, Collection, Cost, Customer, Contract, Control and Communication), was always an integral part of our business philosophy, but our heightened focus during the last financial year, has now embedded it in our daily & routine decision making.

Across the diverse markets & geographies; with challenges arising out of the pandemic and often stoked by economic circumstances or socio-political turmoils, Redingtonians leveraged the 7Cs, to not only overcome challenges, but to do that with style and panache, going on to deliver historic Revenue & Profits. Each & every constituent came together to craft this record breaking performance.

The results require no elaboration
- Revenue growth of 10.7%
- EBITDA growth of 34.3%
- PAT growth of 46.8% (PAT growth without one-time tax effect - 64.1%)
- A 16.4% ROE
- A 19.9% ROCE (Gross); 36.5% ROCE (Net of Cash)
- Net Debt : Equity of (0.58) [Negative NDE]

The outstanding results are attributable to Top & Bottom line growths in India as well as Overseas theaters and through stellar contribution from both IT & Mobility business verticals. Growth in Mobility business, on

10.7% Revenue Growth

34.3% EBITDA Growth

46.8% PAT Growth

the back of very strong demand for Smart Phones was higher at 20%, as it contributed 35% towards the consolidated Revenue for FY21. In India, IT & Mobility delivered Revenue growths of 17% & 36% respectively. Fuelled by the high PC demands, Consumer IT in India grew Revenue by 26%.

Since listing, your Company has delivered a Revenue CAGR of 14% and PAT CAGR of 15%. Only the very best of organizations have demonstrated such sustained excellence.

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While Consumer IT & Mobility verticals flourished, demand for Enterprise products & solutions witnessed stagnancy, as SMBs and large Corporates deferred Capex and Technology refresh. However, as we entered the second half of FY21, organizations had started re-assessing investments and prioritizing spends on IT assets that would accelerate their Digital Transformation & equip them for the "Workplace of the Future".

Transition to Cloud has gained a bigger momentum, as the benefits of a flexible and on-demand infrastructure became self-evident during the pandemic. In FY21, our Cloud business witnessed a 53% YOY growth, reaching ₹ 917 crores. We plan to exponentially grow the Revenue from Cloud and Cloud Managed Services business in the next 3 years.

The uncertainties imposed by the pandemic compelled us to temporarily defer some important investments during FY21. We did, however, continue to re-structure our business and build the skills necessary to address the growing opportunities in Emerging Technologies like Cloud, Data Analytics, IoT, Artificial Intelligence (AI), Machine Learning (ML) & Cyber Security.

We have restored our investment plans in FY22, and will strengthen our Services and Solutioning capabilities, as well as enhance assets essential towards your Company's Digital Transformation.

In the next two years, your Company's business model will be fully transformed, with the "Digital Way" at the front and center of everything that we do and every decision that your Company takes. Significant investments are planned towards upgrading our Cloud Management Portal and building an integrated Digital Business Platform.

For your Company's 3PL logistics arm, ProConnect Supply Chain Solutions Ltd. (PCS), FY21 was a period of consolidation & regrouping after the challenges of FY20. I am very happy to report that not only did PCS successfully turn the corner, but it also did commendably well in addressing the unprecedented situations created by the pandemic. Even during the strictest phases of lock-down, PCS Team kept operations going to fulfill deliveries to sectors deemed critical by the Government. The warehouses were kept operational with special permissions, working under strict COVID guidelines.

I would like to take this opportunity to express my personal gratitude to our very own front-line warriors at PCS. By the second half of FY21, PCS was back on its growth trajectory and it plans to significantly increase its Digital quotient through investments in Automation and Digital processes & systems, as it aims to become one of India's most tech-enabled SCM solution provider.

Despite remaining committed for many years to the Parts & Repair Services business that was housed under a wholly-owned subsidiary, Ensure Services, it was concluded that this Line of Business was no longer strategic to your Company's future plans. We took a decision to divest Ensure and the exercise was completed during July 2020.

One of the most significant decisions taken during the FY21 was to settle the long running Gift Tax dispute with the Income Tax department, by paying ₹ 70.3 Cr under the "*Vivad Se Vishwas*" (VSV) scheme. The IT Department had filed an appeal in the High Court against a decision given in our favour by the IT Appellate Tribunal and unfortunately the Honourable Court's decision went against us. Although, we still believe our case to be strong, we decided against prolonged litigation at the level of the Supreme Court of India, in order to avoid years of uncertainty and significant legal costs.

During the most critical phases of the lock-down, Redington CSR Foundation undertook several initiatives to distribute items of daily necessities to the economically challenged strata of our society. The Foundation forged partnerships with local authorities and healthcare facilities to supply Personal Sanitizing Material, Masks, PPE Kits & Oxygen Concentrators. Many Redingtonians volunteered to help the Foundation to extend these humanitarian services in their localities, braving personal exposures and I am filled with a sense of pride at my colleagues' demonstration of the true Redington spirit.

Long before Environment, Social & Governance (ESG) entered the Corporate & Regulatory lexicon, we, at Redington, have actively promoted these good practices. We have tried to minimize our carbon footprint through optimal use of electricity & water at all our facilities, while ensuring containment of electronic waste through extended life-cycle management and safe disposal of IT assets. Apart from discharging some measure of our dues to the society through our CSR initiatives, we ensure social equality at workplace by promoting gender diversity, equal opportunity and meritocracy. Being a Board Managed & Professionally Run Company, a high level of Corporate Governance has always been our topmost priority. Your Board of Directors exercise a strong oversight on all matters related to statutory & business compliance, with comprehensive protocols, guidelines & processes in place, defining all SOPs.

Effective succession planning is a key to business continuity. With an experienced and skilled Executive Management Team in place, your Board of Directors inducted Mr. Rajiv Srivastava as the Joint Managing Director of the Company. Rajiv brings deep experience of heading large organizations and spearheading strategic initiatives which have had far reaching impacts. His experience with premier Technology brands like HP & Microsoft will be invaluable, as your Company completes its shift to a Services & Solutions oriented Organization. Please join me in welcoming Rajiv into the Redington family.

Your support & encouragement, dear shareholders, are critical to your Company's success. The Board & the Management recognize our responsibility towards delivering value for your investment in us. For long, our dividend distribution policy mandated returning 20% of the annual consolidated profits to the shareholders. In my last address to you from these pages, I had mentioned that the Board continuously re-evaluates the dividend policy with the aim of maximizing shareholder returns, while ensuring Capital adequacy for business & investments.

In line with this commitment, I feel privileged to report that your Board has recommended a total Dividend payout of 60% of consolidated profits (40% normal Dividend and a special Dividend payout of 20%), amounting to ₹ 11.60/- per share. This is the highest-ever dividend payout and my team & I are delighted that we have been able to express a measure of appreciation of your continued support.

As I scan our horizon, I am struck by the range of possibilities that beckons us. Your Directors and your Managers have worked very hard to bring your Company to a stage where it is uniquely positioned to take advantage of all the opportunities that lay ahead. The challenges of the year gone by have only strengthened our resolve to ensure in perpetuity, the progress of Redington on the path of Profitable Growth.

I once again thank you for your support, confidence and guidance.

Raj Shankar
Vice Chairman and Managing Director

Board of Directors

Professor J. Ramachandran

Non-Executive Chairman & Independent Director

Professor Ramachandran is a qualified Chartered and Cost Accountant, and a Fellow of the Indian Institute of Management Ahmedabad. He is a Professor of Strategy at the Indian Institute of Management Bangalore. His research focuses on the growth and governance challenges of firms. His work has been published in leading international journals including the Harvard Business Review, Strategic Management Journal, Organization Science, Journal of International Business Studies and Global Strategy Journal.

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

V.S. Hariharan

Independent Director

Mr. Hariharan is a graduate of IIT-Madras and an MBA from Indian IIM-Bangalore. He has 25+ years of Sales, Marketing, and General Management experience across Global, Regional & Country level roles in the Information Technology Industry. Starting his career with Wipro in India, he relocated to Singapore and associated with Hewlett-Packard for more than 18 years. In HP, Mr. Hariharan held a number of positions as Vice President leading different businesses ranging from worldwide laser business, Asia Pac Sales and field operations, Asia Pac Graphic Solutions Business. He is the Co-founder and CEO of third Wave Power Pte Ltd – a Global business based on Solar Portable Solutions and is based out of Singapore.

Keith WF Bradley

Independent Director

Mr. Keith is a Chartered Accountant from the United Kingdom with Masters of Accounting from the Queen's University of Belfast. He served as the Senior Executive Vice President and President of Ingram Micro North America and played a vital role in developing strategies for the region. Mr. Keith 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. After Ingram Micro, Mr. Keith was an operating adviser to Clearlake Capital, a private equity company with $17 billion of assets under management. Mr. Keith was a full-time CEO and a board member of several Clearlake portfolio companies advising on strategy, M&A and value creation for investors.

Mr. Keith started his career with PricewaterhouseCoopers, UK and moved to Walt Disney Consumer products before joining Ingram Micro.

B. Ramaratnam

Independent Director

Mr. Ramaratnam graduated from the University of Mumbai and after qualifying as a Chartered Accountant joined PricewaterhouseCoopers at Chennai and later joined AF Ferguson & Co and Deloitte Haskins & Sells where he was an Audit Partner till March 2015. During the course of his long career, Mr. Ramaratnam has serviced national and multinational clients from diverse sectors such as manufacturing, trading, software, timeshare, real estate, financial services, pharma, engineering, construction, services etc. He is also an Independent Director at Cholamandalam Financial Holdings Limited.

Anita P Belani

Independent Director

Ms. Anita is an M.B.A. from XLRI, Jamshedpur and B.A. (Hons) in Economics from Miranda House, University of Delhi. Ms. Anita is a seasoned professional with 30 plus years of rich post MBA experience as a senior business & human capital leader. She was the Operating Partner at Gaja Capital and is a director on the board of Eternis Fine Chemicals, Foeseco India Limited, IDFC asset management Company Limited, IDFC Financial Holding Company Limited and Vivriti Capital Pvt Ltd. She has previously held director positions on the boards of Wanbury Ltd, Laxmi organic industries Ltd., SV Edusports, Eurokids International etc. Ms. Anita 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. Prior to joining Gaja Capital, she was associated with Global corporates at senior positions, Russell Reynolds Associates as its Managing Director-India operations, Watson Wyatt India as its Country Head. She has worked in the US with Sun Microsystems as its global Senior HR Business Partner, KPMG USA as Director HR. She has also worked with American Express TRS in the early part of her career. Ms. Anita takes keen interest in mentoring startups and is a key member of the Lead angels network which focuses on investing in early stage companies.

Tu, Shu-Chyuan

Non-Executive Nominee Director

Mr. Tu is an engineering graduate from the National Chiao Tung Universi, Taiwan, and has a Master's degree in Computer Engineering from San Jose State University, USA. He is currently the SVP of of Synnex Group. Prior to joining Synnex, he worked for various computer networking companies in the State and had focused expertise in planning and management. He has an overall 37 years of working experience in the global IT industry. He joined Synnex in 1994 and held a series of management positions.

Chen, Yi-Ju

Non-Executive Nominee Director

Ms. Chen is an Agri-Economics graduate from National Taiwan University, with major in International 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 technology and Lite-on Group. She has over 20 years of working experience in Financial Investment and IT industry with solid experience in Corporate Finance.

Raj Shankar

Vice Chairman and Managing Director

During his two decades plus tenure with Redington, Mr. Raj Shankar has been one of the key architects of the Company's phenomenal transformation from a single-product, single-country organization, to the $ 7.7 Billion Emerging Market multinational behemoth it is today. Mr. Raj Shankar conceptualized and operationalized Redington's expansion into the diverse markets of Middle East, Turkey, Africa and South Asia regions. He authored the strategy that has served as the bedrock of Redington's immense success in the META region. His remarkable success in rapidly scaling the business from scratch and quickly catapulting the Company to an unassailable leadership position in META region has been instrumental towards Redington's stature as one of the foremost Distributor of Technology & Mobility products & solutions globally. In 2014, Mr. Raj Shankar was assigned the overall responsibility of Redington worldwide as its Group Managing Director and since then, has driven the Company's transition to a future-ready, services and solutions oriented, digital Organization. In April 2021, Mr. Raj Shankar was elevated to the position of Vice-Chairman & Managing Director of Redington Group. He also continues to discharge the responsibilities as the Chairman of Redington Gulf FZE and Arena Bilgisayar. His pre-Redington professional experience includes tenures with leading companies in the textile and pharmaceutical sectors, working in India as well as in International markets. Mr. Raj Shankar is an alumni of BITS, Pilani.

Rajiv Srivastava

Joint Managing Director

Mr. Rajiv Srivastava has been in leadership roles in the Technology industry in India and overseas for 30+ years. His most recent assignment was as the MD & CEO of Indian Energy Exchange Limited (IEX). Prior to IEX, he was the Chief Operating Officer for Asia Pacific & Japan at Hewlett-Packard (HP), based out of Singapore. He was also a member of the HP's global strategy board. Before taking up the assignment at Singapore, Mr. Rajiv Srivastava served as the Managing Director - HP India, for 6 years.

Mr. Rajiv Srivastava holds a Bachelor's Degree in Mechanical Engineering from the Birla Institute of Technology and Science, Pilani and a Diploma in International Business from Helsinki School of Economics.

S.V Krishnan

Whole-Time Director and Chief Financial Officer

Mr. Krishnan is the Whole-Time Director and Chief Financial Officer (CFO) of Redington (India) Limited. He is also a Director on the Board of ProConnect Supply Chain Solutions Limited and its subsidiary, Rajprotim Supply Chain Solutions Limited. A Chartered Accountant, Cost Accountant and Company Secretary, he joined Redington back in 1998 and has ever since been part of the Company's growth journey. As the head of finance at Redington, Mr. Krishnan has played an instrumental role during the Company's listing on Indian bourses in 2007. His farsighted financial strategies have enabled the Company to remain nimble and accountable at all times. He also holds the responsibility of investor relations with public/institutional shareholders & analysts at Redington. Prior to joining Redington, he was employed with Ashok Leyland Limited.

Corporate Information

CHAIRMAN
Prof. J. Ramachandran

VICE CHAIRMAN AND MANAGING DIRECTOR
Mr. Raj Shankar

JOINT MANAGING DIRECTOR
Mr. Rajiv Srivastava

WHOLE-TIME DIRECTOR AND CHIEF FINANCIAL OFFICER
Mr. S. V. Krishnan

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

COMPANY SECRETARY
Mr. M. Muthukumarasamy

STATUTORY AUDITORS
BSR & Co. LLP

SECRETARIAL AUDITOR
R Bhuvana and Associates

BANKERS – INDIA
Axis Bank Limited
BNP Paribas
Citi Bank N.A.
DBS Bank India Limited
Deutsche Bank
Federal Bank Limited
First Abu Dhabi Bank PJSC
HDFC Bank Limited
HSBC Limited
ICICI Bank Limited
IDBI Bank Limited
IDFC Bank Limited
Kotak Mahindra Bank Limited
Mizuho Bank Limited
Standard Chartered Bank
State Bank of India
Sumitomo Mitsui Banking Corporation
Yes Bank Limited

BANKERS – OVERSEAS
Axis Bank Limited, UAE
BNP Paribas, UAE
Deutsche Bank AG, UAE
Dubai Islamic Bank, UAE
Emirates NBD Bank PJSC, UAE
First Abu Dhabi Bank PJSC, UAE
Gulf International Bank B.S.C., UAE
HSBC Bank Middle East Limited, UAE
ICICI Bank Limited, UAE
Mashreq Bank, UAE
National Bank of Fujairah, UAE
Standard Chartered Bank, UAE
BNP Paribas, KSA
Emirates NBD KSA
Akbank, Turkey
Anadolu Bank, Turkey
Garanti Bankası, Turkey
NG Bank, Turkey
Bankası, Turkey
Odeabank, Turkey
TEB, Turkey
Vakif Bank, Turkey
Yapı Kredi, Turkey
Ziraat Bankası, Turkey
Akbank AG, Germany
Denizbank AG, Germany
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
ICICI Bank Limited, Hongkong
National Development Bank PLC, Sri Lanka
Hatton National Bank, Sri Lanka
Sampath Bank, Sri Lanka
MCB Bank, Sri Lanka
HSBC Bank Ltd, Bangladesh
BNP Paribas, Qatar
Commercial Bank of Qatar, Qatar

Awards

REDINGTON INDIA

- CIO Insider – 10 Most Recommended AWS Partners: Redington Cloud Solutions - 2020
- Dell Technologies - Excellence in Digital Marketing 2020
- HP – Distributor of the Year – 2020
- Juniper Distribution - Juniper Distribution Partner of the Year 2020
- IBM - Best Value Added Partner - 2020
- IBM - Best Value Added Distributor of the Year - 2020
- IBM – Best Value Added Partner - 2021
- IBM - Best Digital Marketing Planning Awards (India & Asia Pacific) – 2020
- Nutanix – Distribution Partner of the Year - 2020
- Sophos – Distributor of the Year - 2020
- VARINDIA - Most Admired Brand - 2020

REDINGTON DISTRIBUTION PTE. LTD.

- Dell Technologies - Best Performer: Data Center and Compute (Bangladesh)
- Dell Technologies - Best Performer: Storage (Bangladesh)

REDINGTON SRILANKA

- IBM – Rising Star Partner

REDINGTON GULF

- HP- Printing Distributor of the Year Award – 2020
- HP – PAN Distributor of the Year Award – 2020
- Check Point – Middle East Growth Distributor Partner of the Year Award - 2020
- Dell Technologies – Infrastructure Solution Award – 2021
- Epson - Broadline Distributor of the Year Award - 2021
- GEC – Top Cloud Distributor Award - 2020
- Lenovo – Consumer Distributor of the Year Award – 2020
- KioXia – Outstanding Performance Award – 2020
- Toshiba – Outstanding Performance Award – 2020

REDINGTON SAUDI ARABIA

- Advanced Electronics - Partner of the Year Award – 2020
- Samsung – Operational Excellency during pandemic Award – 2021
- Samsung – No.1 Distributor Award: Samsung Displays Award – 2020
- Dell Technologies – Redington Best Performance Award - 2020

REDINGTON AFRICA

- HP – Printing Distributor of the Year Award – 2020
- Dell Technologies - Distributor of the Year Award – 2020

CITRUS CONSULTING

- VMWare - Digital Transformation Award - 2021

Financial Highlights

₹ In crores

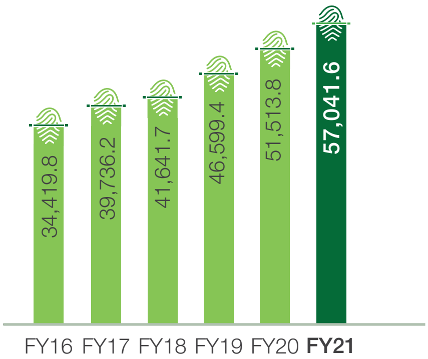
Particulars	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	CAGR (since listing)
Revenue	**57,041.6**	51,513.8	46,599.4	41,641.7	39,736.2	34,419.8	30,736.1	27,244.1	23,446.2	20,779.9	16,373.4	13,162.2	11,918.6	10,369.9	8,667.2	14.4%
EBITDA	**1,439.1**	1,071.4	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	15.2%
PBT @	**1,128.1**	692.3	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	16.9%
PAT @	**756.4**	515.2	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	15.4%
Networth	**4,933.7**	4,308.9	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	**5,751.7**	7,227.6	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	**2.5%**	2.1%	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	**1.3%**	1.0%	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 *	**19.9%**	14.4%	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 *	**16.4%**	12.6%	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) (₹)#	**19.4**	13.2	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) (₹)	**126.3**	110.3	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.

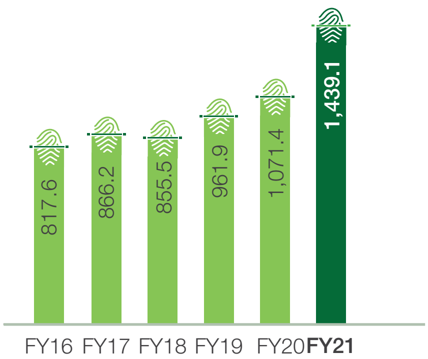
@ Including loss on sale of long-term investment in Easy access Financial Services Limited of ₹ 9.07 crores during FY 13-14.

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

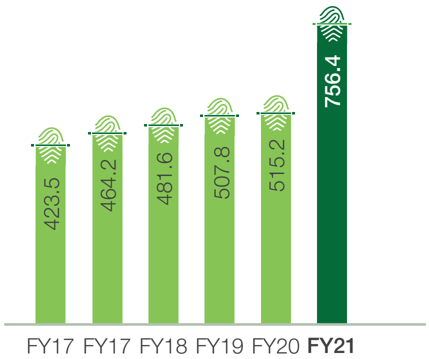
Revenue
₹ in Crores



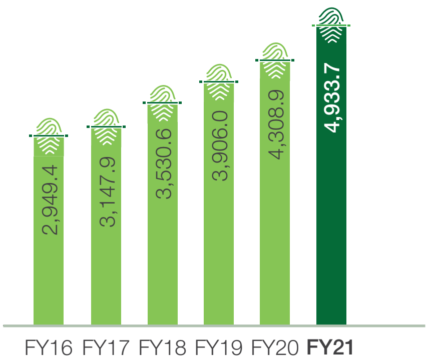
EBITDA
₹ in Crores



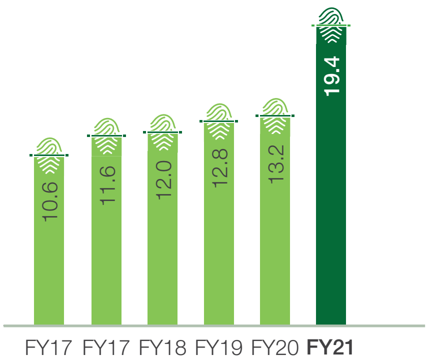
PAT
₹ in Crores



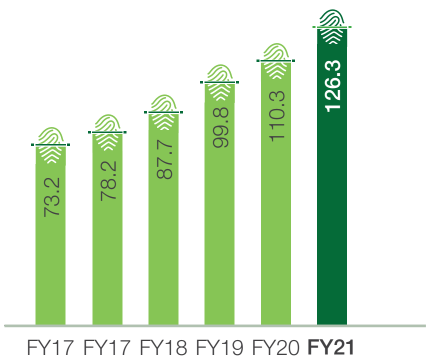
Networth
₹ in Crores



EPS
₹



Book value per share
₹



Environment, Social and Governance progress

A comprehensive Environment, Social & Governance (ESG) policy framework guides us in the way we do our business and gives direction to our responsibilities towards the societies that we exist in.

Being part of the services sector of distributing technology products and solutions, our environmental footprint is very small. Not surprising, our own ESG risk assessment assigns only 15% weightage on Risk to Environment. Our social footprint covers our employees and the society in which we exist and operate. We view our governance risks to span Corporate governance, Enterprise risk management, Stakeholder engagement and communication, and responsible sourcing of products & services.

We are in the process of developing and deploying a holistic ESG framework towards identification, measurement and reporting of key ESG risks. In order to benchmark we have got our ESG score evaluated and feel proud to report that ascertain where we stand today, we have been getting our ESG score evaluated. Overall, our rating stands at 'BBB' in the ESG rating from MSCI In April 2021, and we are committed to improve our rating as we go forward.

ESG Rating scorecard

(As of April 01, 2021)

Key Issue	Weight	Industry Average	Score (0-10)
Environment	15%	3.8	3.6
Social	35%	4.6	3.8
Governance	50%	4.1	4.8

This table shows the Key Issue scores and weights contributing to the company's ESG Rating and any changes to those scores since the last ESG Rating action. The range of possible scores is 0-10, where 10 is best and 0 is worst.

(Source: MSCI ESG Ratings Report, April 01, 2021.)

Environment

Being in a non-manufacturing / non-polluting industry, your Company's carbon footprint has been at low levels. This is augmented by our constant endeavours towards conservation by consciously inculcating the habit of frugal use of water and energy at all our work-facilities. We have a stated policy of extending the life-cycles of all our electronic & IT assets and actively encourage exploring ways and means of reusing assets with residual life.

As a distributor of Technology products and a direct imported of some of them, we are alive to our responsibility towards e-waste management, re-use, recycling and safe disposal of various hardware that we deal in.

Along with Redington Foundation for CSR, we have focused on creating awareness around safe disposal of e-waste, setting up e-waste bins in schools and colleges and at the warehouses of our subsidiary units, in order to facilitate collection points for proper and safe disposal of e-waste. During the year 2020-21 despite the pandemic, we collected 30 MT e-waste and ensured its safe disposal, adhering to the stipulated guidelines of the law of the land.

Social

At Redington, we advocate and actively promote a diverse and inclusive work-culture. Mutual respect, dignity of work, appreciation of every contribution, gratitude towards support received and compassionate understanding of challenges have formed the core of our work ethics. Our workforce has representation from diverse national, ethnic, cultural and social background. Workforce diversity, with respect to gender stands at 10% on our Board and 25% for the overall employee count. Your Company places a high emphasis on its uncompromising stand on Professional conduct at workplace, enhanced by a strong whistle-blower policy.

Our "Code of Business Conduct & Ethics" mandates offering equal opportunities at the time of recruitment as well as during the course of employment, irrespective of the caste, creed, gender, race, religion, disability or sexual orientation. We operates in 37 markets across India, Middle East, Africa, Turkey, Singapore & South Asian countries and we take immense pride in the fact the success of our operations, especially in overseas markets is because of our "in country" presence which involves hiring of locals, which also allows us to get better pulse of the market. We provide an open platform to our employees to express their views and concerns through Town Hall and Regional Meetings, etc.

An important element of our social responsibility is encouraging, enabling and promoting career building opportunities for our own employees through up-skilling and learning & development programs. Our "Professional Education Scheme (PES)" encourages employees to acquire professional qualification and augment their skill levels, through training programs or additional academic or professional qualifications. This reinforces our commitment to enhance employee skillset, as they are valuable asset to the organization.

Through Redington CSR Foundation, we are engaged in giving back to the society through investments in Education & Healthcare for the challenged sections of our populace. We take great pride in the fact that our initiatives in these areas have exhibited discernable results through overall upliftment of the communities that we engage in.

Employee motivation session

Governance

Our Corporate Governance ethos is a reflection of our rich legacy, policies, procedures and relationship with all our stakeholders. The highest standards of business & behavioral ethics, integrity and transparency form the cornerstones of our organization philosophy. Your Board of Directors exercise a strong Governance over all important policies and compliance related activities, ensuring strict adherence and accountability to our stakeholders.

Every Redingtonian is mandated to conduct and discharge his/her responsibilities, irrespective of the level or role, in a manner compliant to internal and external policies & guidelines. This has resulted in a "value-rich" organization where each individual is mindful and is proud of his/her responsibilities towards ensuring an ethical and compliant organization. Our governance structure has its foundations in sound principles & policies and an appropriate monitoring mechanism of checks & balances, while encouraging quick and effective decision-making. Our "Code of Business Conduct & Ethics" policy ensures fair business practice. We do not engage in practices that are abusive, corrupt, or anti-competition. We refrain from entering into agreements and practices that unreasonably restrict competition and act

Redington E-waste Collection Centre

as a restraint on freedom of choice for customers.

In order to ensure adhering to all Governance policies, we have constituted committees to oversee different aspects of our operations. These comprise of Audit Committee, Stakeholders' Relationship Committee, Nomination & Remuneration Committee, Corporate Social Responsibility (CSR) Committee, Risk Management Committee, and Strategy Committee and are all chaired by Non-Executive Directors. The Board of Directors, through these sub-committees oversee continuous bench-marking your Company against the global best business practices and offer their advice on areas of improvement.

Our presence in diverse markets helps us in mitigating region-based risks. However, in the event of global risks such as Covid-19 pandemic, the need of the hour was to develop a framework that addresses such challenges in a unified manner. As you are aware, at Redington, we adopted a 7Cs playbook for Covid-19 related risk management framework, which encompasses Cash Flow, Collection, Cost, Customer, Contract, Control and Communication, which helped your Company navigate the most critical periods of the emergency with great success.

Committed towards Inclusive Growth

57,700 lives touched in FY21

Founded in 2014, the Team Redington CSR Foundation has been at the forefront of social upliftment of the weaker sections of the society. During FY21, we touched 57,700 lives through our CSR initiatives, focused towards Education, Women Empowerment, Skilling, Healthcare and Environmental Care.

While focusing our attention on COVID-19 related relief activities during the year gone by, we also launched a Mobile-based Early Intervention program to help identify disabilities during early childhood and extend support towards inclusion into normal stream of education and life and our Digital Studio, aimed at improving the quality of delivery of online training modules.

Bridging the Digital Divide

400+ students enjoy benefits of Sahyog Laptop Scholarship Awards

We have always considered Education as the most powerful enabler and in order to equip the less privileged to pursue higher education, Redington CSR Foundation, through its Sahyog Laptop Scholarship Awards, has encouraged meritorious students to pursue a career in Arts & Science, Commerce, Engineering and Medicine. Laptops as effective education tools have gained special significance during these times of remote learning and been an invaluable asset to our targeted segment.


Food supplies distribution - Project Karuna

During FY21, the Sahyog Scholarship Awards has supported more than 400 students across the state of Tamil Nadu and Delhi. Apart from supplying laptops, the scholarship programme also defrays a part of the tuition fees of the identified students.

Mobile based Early Intervention Program

Research in neuro-science confirms the importance of the early years in the overall development in a child's life. A psycho-socially deficit environment or emotional neglect can lead to negative consequences on a child's development, which may even be irreversible. This places a very large percentage of children from poorer or marginalized families, 'at risk', in terms of opportunities that may be available to them.

We are leveraging an Early Intervention Application called Enabling Inclusion App ("EI App"), which provides suitable EI App licenses to Partner NGOs for use in early intervention activities. The Foundation has partnered with G.V. Special School for differently-abled, and Chidambaram and VOC School, Tuticorin to implement its Early Intervention Program. These institutions have vast experience and expertise in handling children with special needs. We have also engaged Amar Seva Global Association as our knowledge partner. ASGA, being the licensee of, the mobile Village Based Rehabilitation-

Objective:

- Build awareness amongst parents.
- Assess & identify children (0 to 6 yrs) with developmental delays.
- Provide Physiotherapy, Occupational therapy & Speech therapy to children with development delays.
- Sensitize on personal hygiene and hand wash practices, and nutritional diet.
- Help these children integrate with their peer group

The Model:

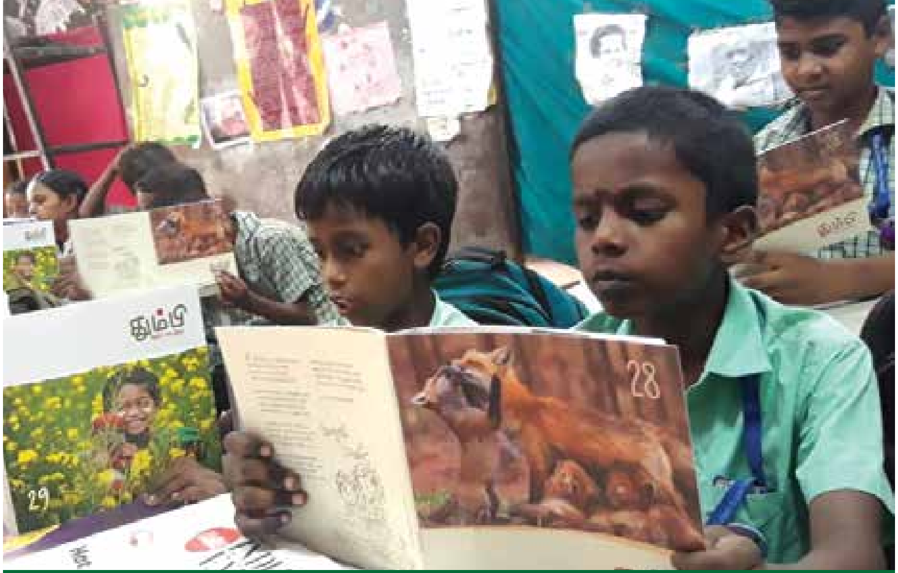
- Deploy suitably equipped Mobile Clinics, and with accompanying experts to villages during weekends.
- Asses & identify children for early detection and appropriate intervention.
- Use experts to advice on providing adequate care, stimulation and training for children during critical

years for establishing basic developmental skills.

- Help parents gain insight & knowledge of taking care of their children.

AIM OF THE PROGRAM OVER THE NEXT 5 YEARS

- Cover 4 blocks and their associated villages for screening 9000+ children and provide support through therapy to an estimated 360+ children with development delays.



Open the young hearts and minds - Project Excellence

Digital Studio

Recognizing the Covid induced paradigm shift to E-learning, Redington CSR Foundation has quickly adopted e-learning programs for college student, with an aim to bring all the training needs of the students under one roof. This resulted in the concept of our Digital Studio. The Digital Studio will customize training needs in the targeted society. The Digital Studio will now help open up new avenues in learning for deserving and underprivileged students. Being Cloud based asset, the Digital Studio offers connectivity even in rural settings, thereby overcoming a serious handicap. With 23 colleges in India currently as partners, we aim to bring in a couple of Engineering Colleges as well.

The Digital Studio, will cover subjects in the fields of Artificial Intelligence (AI) with Machine Learning (ML), Robotics, Cyber Security, Cloud Computing, and Data Analytics Sciences through Big Data, Python and "R" programming, thus offering better employability to Science and Engineering graduates.

We aim to seamlessly integrate our "Smart Learning Centres" with the Digital Studio. Offering various hands-on training programs including one on "Supply Chain Management". is soon to be rolled out. Other training programmes which are presently delivered at respective SLC's will also be integrated for online delivery.

Shortly, the Digital Studio will also include a Digital Library, offering students easy access to reading material

Hotspots at Colleges

500
final year students provided Data Management Using Python training

Redington Early Intervention Bus

Redington CSR Foundation has launched Hotspot centres at 10 colleges associated with our initiatives. These Hotspot Centres are equipped with Interactive Smart Panel Boards and High-end Desktop PCs in a dedicated computer lab. The Hotspot Centres aim to provide qualitative technical training in high-demand areas and soft skill training to final year students to enhance their employability.

We are in advanced stages of discussions with IBM, Microsoft, and institutions like SSN Engineering colleges (Shiv Nadar University) for possible partnerships.

Aim to train
3000
students in next 3 years

Advisory Panel

We have long felt the need to be able to regularly call upon the wisdom & expertise from the fields of academia & industry. We are delighted to record that we have found great support from educationists & industry professionals and we have formed an informal panel of experts. We plan to have in place a suitable algorithm which will help us develop a database of "NEW INDIAN STUDENT PROFILE" and enable us design suitable programs.

With clearly defined roles and responsibilities, our Advisory Panel will oversee the development of curriculum, training methodology and responses, with the aim to make the students employable. We are confident with such expert advice, Redington CSR Foundation will be able to further refine its approach to the critical challenge of offering quality education to the underprivileged section of or society.

Our COVID-19 Response

At Redington, we secured our employees, business and customers during these testing times through our various initiatives that we launched across the country. From vaccination drives and COVID-19 appropriate behaviour campaigns to providing Corona Kavach insurance policy, Redington has been at the forefront to combat one of the worst health crisis of the 21st century. Our HR department has been proactive in reaching out to each and every employee to know about their and family well-being during lockdowns. We arranged fitness and mental health sessions for our employees to keep them motivated and best in health. Even we provided 14 days of paid leave along with additional cash compensation in case of illness due to the deadly virus.

On the social end, Redington has been working closely with the government and frontline workers in the fight against the virus. As part of our efforts, we began our project 'Karuna' soon after the lockdowns were announced in the country. The pandemic has made the economic well-being of many sections of the society vulnerable, and our teams with diligent search identified the neediest individuals and families, migrant workers and elderly, and supported them with essential supplies. From making oxygen supplies reach the needy to immunity booster kits to elderly and disabled, Redington has been actively working with all the stakeholders to win this fight against the COVID-19. Through our dedicated efforts, we supported hospitals with PPE kits and equipment donations. The Company contributed ₹ 1 crore to PM Cares Fund, duly supporting the initiatives of Government of India to combat COVID-19 pandemic.

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₹ 1 Cr
Contribution to PM Cares Fund

71,603
Beneficiaries under Karuna

1,49,299
Total Number of Medical, Food Supplies and Other Essentials Donated under Karuna

Management Discussion and Analysis

ECONOMIC OVERVIEW

Global

Year 2020 has been unlike any in the history of mankind. COVID-19 completely upended the socio-economic-politico world order with survival taking absolute precedence over even sustenance and livelihood, for individuals, societies & Governments. While US Presidential Elections and the stress on World Trade due to USA-China disputes were significant events with likelihood of medium-to-long terms impacts on World economy, even they paled in comparison as mankind battled to overcome the pandemic.

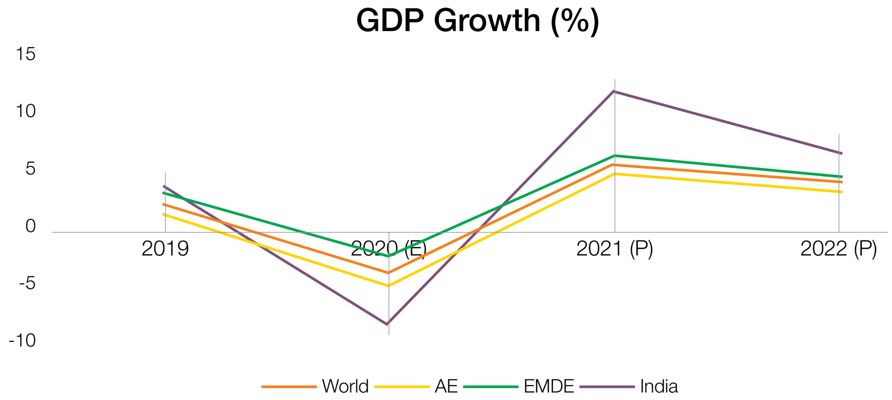
The impact of COVID-19 led challenges on Businesses and Economies has been traumatic. Organizations and Companies were just not prepared for and just could not have foreseen either the severity or the duration of the impact it would have, on the tightly enmeshed and inter-dependent business eco-systems. World over, manpower resources were confined to home and supply chains were disrupted, impacting raw material and parts supplies even to industries minimally dependent on human interventions.

World's financial resources were focused on providing emergency Healthcare and Financial support to large sections of the populace. While in developed countries some measure of relief was made available to businesses also, in nations with limited economic resources, businesses were largely left to fend for themselves. Our nation fell into the latter category.

Concentrated efforts in preventive measures across the globe and the discovery of vaccines & its roll-out in record time, had brought the pandemic under some degree of control towards the final quarter of FY21, but the risk of fresh outbreak remain high. Indeed, by the time the first quarter of FY22 came to a close, many parts of the world were reeling under the 2nd wave of the pandemic. India, regrettably, has become one of the worst affected nations.

The world economy at large appears on the road to recovery, although the pace and degree varies considerably across nations. Developed nations have progressively opened up social gatherings and even travel to select destinations. During 2020, the Advanced Economies (AEs), and Emerging Markets and Developing Economies (EMDEs) de-grew by 4.7% and 2.2% respectively according to IMF's World Economic Outlook of April 2021. China, a large global GDP constituent in the EMDE block, has been the sole economy to defy the trend to register a positive growth of 2.3% in 2020.

IMF predicts a sharp recovery in 2021 to be followed with a relative moderation in 2022. In 2021 the World, AEs, EDMEs and India are expected to growth at 6%, 5.1%, 6.7% and 12.5% respectively.



India

India resorted to stringent lock-down measures during the April-June 2020 period. Many businesses came to a grinding halt and most experienced sharp contraction due to greatly reduced economic activity. Government of India rolled out progressively larger stimulus packages and this, in some measure, allowed the weaker sections of the society cope with unprecedented challenges. India, the second largest constituent of EMDE block, is estimated to have witnessed a steep contraction of 8% in 2020. However, the Government's strict lock-down measures, accelerated expansion of COVID-19 treatment infrastructure, coupled with the fiscal stimuli had started initiating a V-shaped recovery of economic activities in the later part of the year.

Even during the heights of the pandemic crisis, India's overall fiscal position was strengthened by a 13% growth in Foreign Direct Investment (FDI) during 2020. Even though, according to United Nations Conference on Trade and Development's (UNCTAD's) 'investment trends monitor', the global FDI in 2020 shrunk by 42% to an estimated USD 859 billion from the level of USD 1.5 trillion during 2019, India saw significant foreign investments flowing into the digital sector, e-commerce, IT consulting and data processing services. According to IMF, India is expected to be at the forefront of world's recovery of economic activities with projected GDP growths of 12.5% in 2021 and 6.9% in 2022.

	2019	2020(E)	2021(P)	2022 (P)
World	2.8	-3.3	6.0	4.4
AE	1.6	-4.7	5.1	3.6
EMDE	3.6	-2.2	6.7	5.0
India	4.0	-8.0	12.5	6.9

Source: WEO April 2021, IMF

Middle East and Central Asia

IMF estimates the economy of the Middle East and Central Asian region to have de-grown by approx. 2.9% on the back of highly diminished tourism income. IMF has projected that the region is likely to rebound to grow at 3.7% in 2021 and 3.8% in 2022. The economic recovery is likely to be asymmetrical for the countries in this region, on the back of difference in approach to the pandemic and vaccine rollouts and the recovery graph of the tourism industry. Recovery and sustaining of oil prices will naturally have a major influence on the economic recovery of the region.

IMF has projected that growth curve will be sharper for countries in the region which began their vaccination programs early, such as the Gulf Cooperation Council countries.

Sub-Saharan Africa

IMF reports that the resource-constrained Sub-Saharan African region experienced a de-growth of 1.9% in 2020. The region is expected to see a growth of 3.4% in 2021 and 4% in 2022. The COVID-19 pandemic took an especially heavy toll in countries like Ghana, Kenya & Nigeria.

Turkey

The COVID-19 pandemic brought the Turkish economy almost to a standstill. The challenges still remain, although there has been gradual improvement in the business sentiments in the second half of 2020. IMF has projected the economy to grow at 5% in 2021 and 4.5% in 2022, led by surge in domestic demand buoyed by a stimulus program that totals 13% of GDP, backed by support via the banking sector in the form of partial credit guarantees and loan deferrals. Some of the other fiscal support measures undertaken by the Turkish government included payments to households, assistance to furloughed workers, and tax deferrals. However, the Government's stance on the monetary situation and its measures to curb inflation remains cause for concern. During Q4 20-21, TRY (Turkish Lira) has depreciated 12% against USD (United States Dollar) and consequent to the depreciation, effective income tax in Turkey was at 86% in Q4, against the standard rate of 20%.

Overall, the macroeconomic scenario remains vulnerable and uncertain as rising inflation, unemployment and continued geopolitical tensions constitute significant headwinds.

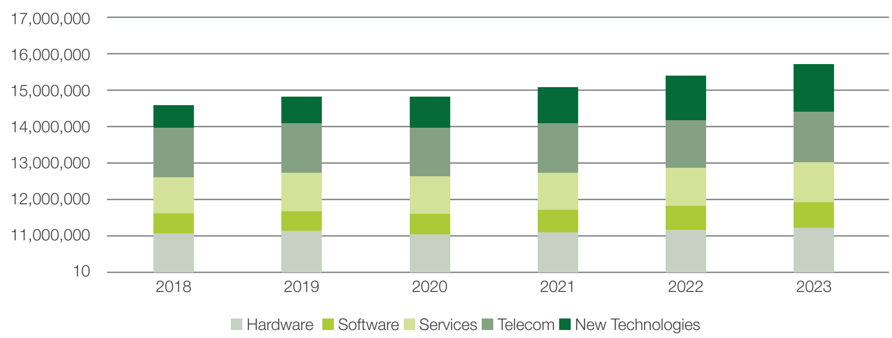
Information and Communications Technology (ICT) Industry Overview

Global

The adverse impact of the pandemic on Global ICT spending has resulted in flat year-on-year growth of the overall industry during 2020. However the explosion in Work-from-Home, Learn-from Home & Connect-from-Home requirements meant that sectors of Technology, which facilitate and enable Virtual Communication witnessed very high demand during the year. This was particularly so for Personal Computing & Communication devices like PCs & Smart Phones. According to IDC, the overall ICT spending in 2021 through 2023 is expected to grow at least by 5% per annum, on the back of deeper penetration and application of New & Emerging Technologies like Internet of Things (IoT), Artificial Intelligence (AI), Machine Learning (ML), Robotics, Augmented Reality (AR) & Virtual Reality (VR) and cutting edge Communication technology. IDC predicts these technologies to represent over 25% of Global Annual ICT spend by the year 2023.

The demand for traditional ICT products & solutions is expected to closely track the GDP and will be largely driven by adoption of Cloud & migration to the next-gen Communication & Connectivity technologies. Across the world, businesses continue to leverage ICT to drive Digital Transformations within their organizations.

Worldwide ICT Spending 2018-2023 ($Million Constant Currancy)



Technology Spending SM	2018	2019	2020	2021	2022	2023
Traditional Technologies	$4,005,011	$4,146,194	$4,005,032	$4,130,843	$4,277,843	$4,453,674
New Technologies	$653,808	$766,521	$891,760	$1,030,455	$1,189,208	$1,362,017

(Source: IDC)

The global laptop market is expected to grow by ~9% to touch $115.88 billion in 2021. The growth continues to be fuelled by demands of WFH, LFH & CFH environments, as Individuals & Organizations continue to adopt the new normal, embracing a permanent changes in their work-life and social-life that reflect pandemic induced caution. Even as societies gradually open up and return to normalcy, the way people & companies connect & work has undergone a permanent metamorphism. By 2025, the global laptop market is expected to touch $149.02 billion at a CAGR of 6.5%, according to The Business Research Company. The overall ICT spending, telecom services and IT, is expected to grow at 1.9% to surpass $209.5 billion in the Middle East, Turkey, and Africa (META) in 2021, as per the IDC.

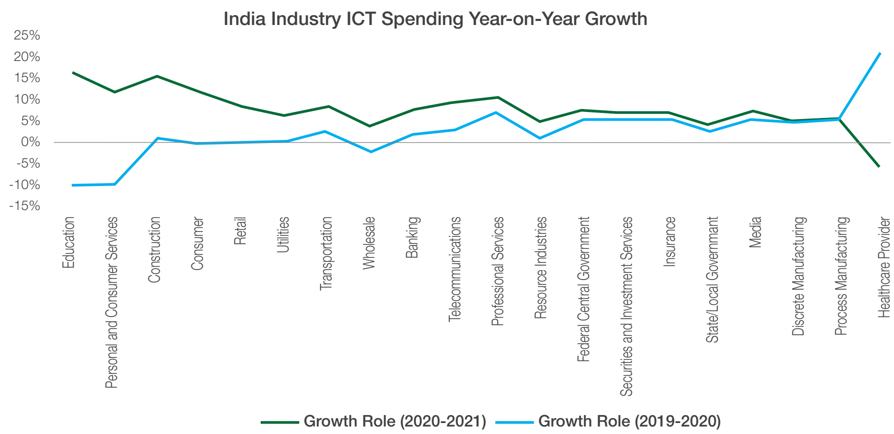
The propensity of people to connect & remain online is also hugely contributing to the burgeoning demand for personal devices in the form of Laptops, Tablets & Smart Phones. Globally, the average time spent by an internet user has gone up to 6.5 hours per day. In 2020 alone, there were more than 4.66 billion people who used internet (about 60% of the world's population) as COVID-19 pandemic forced businesses and people to operate, socialize and entertain themselves remotely.

India

The growth of ICT spend in India depends heavily on the speed at which the country is able to overcome the second wave of pandemic which has once again brought in severe restriction on the movement of people & goods since the beginning of May 2021. Large scale investments in IT infrastructure by Organizations will be contingent on the overall sentiments and business confidence. Rapid Digital transformation by organizations and products and solutions that aid this journey will continue as topmost priority, as companies evolve themselves to address the pandemic induced new norms. The shift in focus towards technology & solutions essential for organizations to greatly enhance their Digital quotient is expected to drive ICT investments in the foreseeable future.

Of critical importance to the growth of ICT industry in India is the Government of India's initiatives in pursuit of the "*Aatmanirbhar Bharat Abhiyan*". "Make in India" and "Production led Incentives" (PLI), targeted to accelerate India's manufacturing infrastructure and capacity, while ensuring Global competitiveness, in order to ensure not only domestic consumption, but also successful exports, would require investments in leading-edge technologies drive towards all-encompassing Digital Transformation.

According to IDC, the ICT spend in India is expected to grow over 10% to touch $91 billion in 2021 and $111 billion by 2024.



IDC

Source : ICC Worldwide ICT Speriding Gunde Industry and Company @2001 growth in currancy

The readiness of the Indian consumer towards adopting all things Digital points to the opportunities that will present itself to the ICT industry in the area of technology-led, Consumer focused Services & solutions.

The Banking and the Telecommunications industries are expected to be the highest growth sectors, contributing around 14% towards the overall ICT spend in 2021, driven by investments in enhanced Customer Experience (CX), Business Continuity and Cyber Security.

ICT spend in the Telecommunication industry is expected to grow at 9.1% in 2021, as operators continue to focus on Cost Efficiencies in order to squeeze maximum possible profits from the world's lowest ARPU regime.

According to Gartner, Data Centre Systems segment will see an approximate spending of $3,559 million, a 4.3% YoY increase, while Enterprise Software segment will see nearly $7,713 million spent, a 13.3% increase over last year. The devices segment which took a knock in 2020 seeing a decline of 15.2% in spending, is also expected to increase from $32,213 million in 2020 to $34,692 million in 2021, an increase of 7.7%. Much would however depend on product availability and restoration of normalcy in the supply chain.

Company Business Review

Redington India Limited's business is divided into four broad categories, including Consumer IT, Enterprise IT, Mobility and Services.

India Operations

Consumer IT Business

India's PC market witnessed strong demand due to Covid-19 induced adoption of WFH, LFH & CFH. Supply constraints meant that the entire demand could not be fulfilled but notwithstanding that the total Indian PC shipments actually grew by 9% during FY 2021 vis-à-vis FY 2020. Desktop category witnessed a decline of 30% YOY. However, this was more than made up by the Notebook category, which witnessed very high demand and as per IDC, shipments grew by 27% YOY.

Of particular importance was the increase in share of mid-high end PCs, including a significant increase in growth in the high-value Gaming PC segment.

As a Distributor for all the major PC vendors in India, your Company was in a position to take full advantage of the sharp increase in the demand of PCs. The "Connect from Home" environment led to very high demand for Consumer PCs, with a YOY growth of 44%. There was a slight drop in the shipment of Commercial PCs, due to the lock-down induced closure of Offices for prolonged periods during the fiscal.

High demand of PCs, coupled with disruptions in manufacturing & of supply chain resulted in shortage of PC components and this is likely to continue during FY 22 also. This will impact the PC shipments and demand is expected to continue outstrip PC supplies. As one of the largest distributors in the country with marquee brands in its portfolio, your Company is well positioned to take full advantage of the strong PC demand.

Enterprise IT Business

The COVID-19 pandemic led closure of Offices, Business Establishments and in many cases, of Manufacturing Units working at part capacities, resulted in a pause, or cut-back or reprioritizing of investment in IT products & solutions. Organizations targeted investments towards 'mission-critical' technology, applications and services, in order to quickly orient themselves to the new norm of WFH. According to Gartner, overall IT spend fell by 2.7% during CY 2020. Cloud & Digital Initiatives were the main growth areas during FY 21. Technology refresh by SMBs and Enterprises remained largely muted, except for select sectors.

Gartner forecasts overall IT spend in India to grow by 6.8% in CY 2021, to reach a level of $88.8 Billion. Enterprise software is likely to be the biggest growth area at 8.8% as Organizations continue to align themselves permanently to semi remote work environment. This will result in significant investments in Cyber Security solutions, as Enterprises strengthen their defenses against possible malignant breaches. The adoption of Cloud, which gained momentum during the pandemic will continue to accelerate as more and more SMBs realize the advantages and flexibility that Cloud technology offers.

Your Company saw significant traction in its Cloud portfolio with major progress in offering Cloud Managed Services. Education sector was one of the biggest contributors to the Company's Enterprise revenues as the sector undertook technology adoption and investments in a big way. Other Enterprise verticals which continued to invest in IT were BFSI, Telecom, e-Commerce & Healthcare. Government investments were carefully directed at technology advancements in key areas which helped in mitigation of the pandemic and augmenting critical infrastructure.

We are proud to share that your Company was the preferred partner for Cisco in a project aimed at helping the Government of India setup its War room to effectively tackle the COVID-19 pandemic. We also partnered with key Vendors like Microsoft, Google and Cisco to help enablement of Education Institutions as they adapted to a prolonged period of Learn-from-Home environment. As part of this, your Company in partnership with Mircrosoft, under its "Fastrack" Program, empowered more than 450 institutions across the country.

The rapid shift towards remote working environment, due to COVID-19 related challenges in 2020, exposed companies to vulnerabilities and security related challenges. In a bid to mitigate these risks and establish a secure work environment, companies need to invest heavily in Cyber Security Technologies & Solutions. According to Gartner, India's spend on Enterprise Information Security and Risk Management is expected to rise 9.5% in CY 2021 to touch $2.08 billion. As the major Network Solutions & Network security vendor, Cisco has targeted areas of Cloud Access Security Brokers (CASB) and Cloud Workload Protection Platform (CWPP), for their investments in India during 2021.

With Automation & Digital transformation clearly the Future of Work, your Company has been investing in Skills & Resources to emerge as a complete solution provider for some of cutting-edge technology practices.

We are investing in and streamlining our business models to strengthen our partnerships and offerings in the areas of Digital Technologies & Solutions, Hybrid Cloud, Cyber Security Solutions, Data Centre Modernization, Application Modernization, AI & ML, IoT & Analytics, Enterprise DevOPs and Automation.

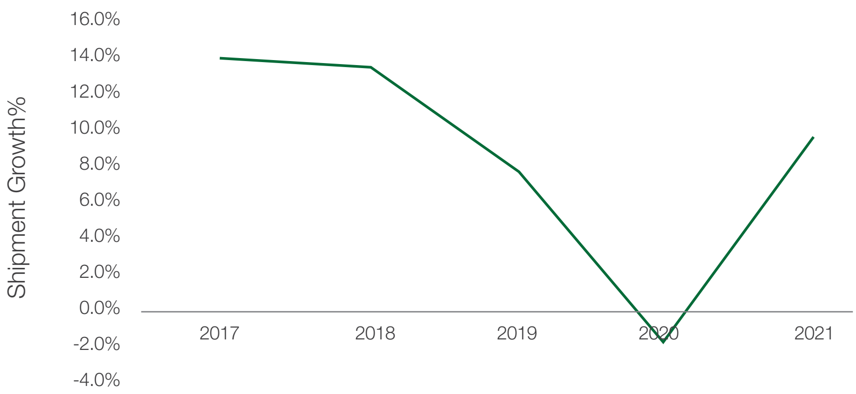
Mobility

Just as in the case of Personal Computing Devices, demand for Smart Phones witnessed a surge during the pandemic as they became the primary mode of connecting with the World outside your home. While the Indian smartphone market began the year 2021 with a healthy 18% year-over-year (YoY) growth during Jan-March 2021, as per IDC, the shipments actually declined by 14% from a strong Oct-Dec 2020 quarter. The onset of the second wave of COVID-19 infections towards the end of the first quarter of CY2021 resulted in subdued consumer demand. IDC expects a rebound in consumer sentiments in the second half of CY2021, resulting in a single-digit growth annually.

The adoption of 5G technology will be a major growth driver in the future as Indian Telecom service providers progressively upgrade. The unqualified success of 5G enabled Apple iPhone 12 line up is indicative of the fact that consumers are waiting for the new-age communication technology and as more and more 5G enabled Phone models are launched, awaiting 5G network roll-out in the country, the demand is set to grow even further. IDC projects 5G smartphones shipments to hold nearly 40% of the total global volumes in 2021 and grow further to 69% by 2025. Demand pattern in India is expected to grow along similar lines, once 5G network roll-out begins.

Despite the huge demand surge, India's smartphone market actually witnessed a YOY shipment decline of 1.7%, with a sale of 150 million units. This is attributed to the very sluggish performance during most of the first half of 2020 due to prolonged lock-downs with customer access to products limited to e-Commerce sites. Shipments rebounded strongly in the second half of 2020 with a YoY growth of 19%.

India Smartphone Market, Annual Shipment Growth



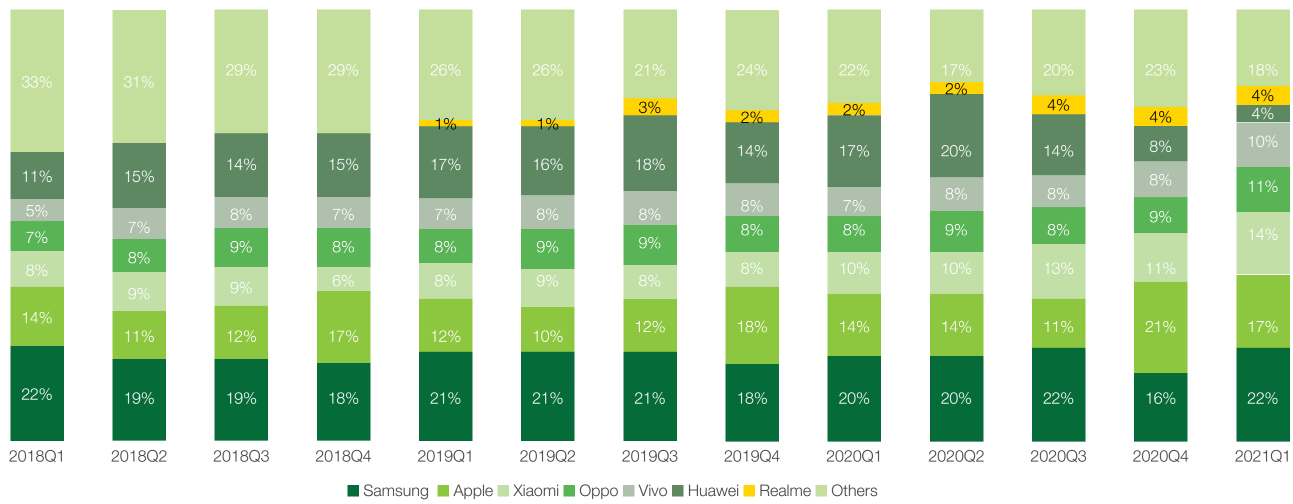
Source: IDC, 2021

Government of India's emphasis on "Make in India" prompted a shift in focus on the part of Smart Phone vendors, towards accelerating the development of an ecosystem for in-country manufacturing. The government's push towards *Aatmanirbhar Bharat Abhiyan* and reduction in taxations is aimed at making India an attractive investment destination and global OEMs have put in place investment plans to take advantage of this and set up manufacturing facilities in India, not only to cater to the local demand, but also for exports.

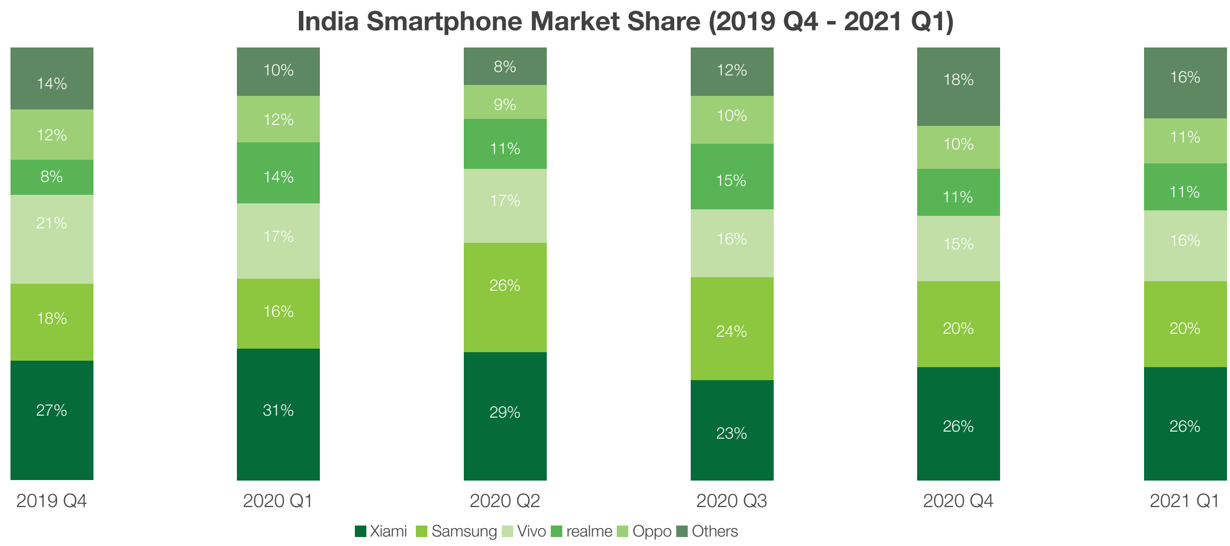
In 2020, 5G smartphone shipments crossed 3 million Units in India, primarily due to highly competitively priced products offered by Chinese brands. The real surge in customer demand is however expected only after the roll out of 5G networks, expected through late 2021 & 2022.

Your Company's Smart Phone business witnessed a growth of more than 40% in FY 21 on the back of strong demand for Apple iPhones and a very successful launch of the new iPhone models during the October-December, 2020 quarter. Your Company's strong engagement with the Brand and the channel eco-system ensured that it could capture a major share of the iPhone demand. Apple's dominance in the high-value Smart Phone segment has positioned the brand at the forefront of demand of customers looking for high quality, feature-rich Smart Phones, which provide great user experience and offer seamless voice and video connectivity during the pandemic induced remote working and remote socializing. This places your Company in an extremely advantageous position to capture the high-end of the consumer demand.

Global Smartphone Market Share (2018Q1-2021Q1)



Source: MOBILE DEVICES MONITOR - Q1 2021



Services

Cloud

Cloud technology lends itself seamlessly to the remote working environment compelled by the COVID-19 induced lock-downs and isolation. During FY 21, Cloud adoption in India gathered momentum as Organizations looked at building agility, efficiencies, resilience and Opex optimization to address rapidly changing business eco-system. Companies have started leaning on cloud-native architecture that allows them cater to customer and end-user demands in an efficient & cost-effective manner. Many organizations and businesses have started leveraging Cloud technology for bringing about increasing innovation in their operations & offerings.

Your Company has positioned itself as a leading Cloud Solutions Provider in the country, offering a comprehensive bouquet of Cloud Environment Solutions to partners and end-users. From re-selling of Cloud products, to providing end-to-end Cloud Consulting and Cloud Managed Services, with special focus on SME and mid-market segment, your Company is today the preferred Cloud Solution Provider for more than 6000+ partners and 2500+ customers. In the short span of its foray into Cloud business, your Company has already enabled 350+ Cloud migrations and has handled 100+ Enterprise workloads.

Redington Cloud Managed Solutions (RCMS) is intricately designed to closely monitor and enhance the entire journey from assessment to implementation/ migration and onto optimization. Our Cloud Vendors include the biggest technology names in the industry – Amazon Web Services, Microsoft, IBM & Oracle. Cloud consultancy form a key part of our offerings as it helps customers identify and realize the synergistic benefits of back-end and front-end integration.

Your Company's continued investments in Cloud related skills and infrastructure will ensure that it remains fully equipped to take full advantage of the surge in Cloud adoption by Indian customers.

Digital and 3D Printing

With businesses and companies fully or partially closed and social functions like weddings being heavily truncated, commercial printing encountered serious challenges during FY21. Digital printing market witnessed a sharp de-growth during the first half of the financial year, as investments in Capital heavy equipment were either cancelled or deferred by Printing houses.

Steady business recovery was witnessed during the second half and with Digital Printing being the future of the industry, we expect the high-growth momentum to be regained during FY22. Globally, the digital printing market is expected to grow at a CAGR of 6.7% during the 2021-2026 period.

In India, Digital Printing has found ready acceptance in the Photo, General commercial printing, Labels and Packaging applications. Our strong engagement in these sectors ensures that your Company will be able to take full advantage of the business opportunities as the demand gains momentum.

Your Company's Centre of Excellence for Digital Printing has been showcasing Digital Printing technology to potential customers, demonstrating the advantages of high capacity efficiencies via rapid innovation, shorter time to market, reduced inventory carrying cost and a more efficient supply chain.

Security Printing and Smart Packaging has been gaining momentum world-wide, including in India. With more and more companies looking at embedding intelligence in the packaging of their products to avoid counterfeits, the future of security printing technology is strong and widespread across industries.

As the markets rebound from pandemic induced slow-down, we also foresee a surge in demand for 3D Printing from Healthcare, Automotive and Infrastructure sectors. During the initial months of pandemic emergency, your Company in partnership with HP, leveraged its 3D Printing infrastructure to produced 1.5 lakh parts for ventilators within 30 days for AgVa Healthcare.

Your Company's strong partnership with HP in the area of Digital & 3D Printing places it in a very strong position in this futuristic business segment.

Overseas operations

Redington's Overseas operations are carried out through its wholly-owned subsidiaries including, Redington International Mauritius Limited, Mauritius (RIML) and Redington Distribution Pte Limited, Singapore (RDPL). While RIML addresses the Middle East, Turkey, Africa (META) region, RDPL addresses South Asian region comprising of Sri Lanka, Bangladesh, Nepal and Maldives, apart from handling "Zero-Duty" business opportunities in the Indian Market.

Your Company's geographical spread in various Emerging Markets across South Asia & META is a carefully crafted strategy to not only address the IT & Mobility demand in some of the fastest growing markets, but also to de-risk its dependency on any single geography.

Overseas Business (in ₹ Crore)	FY21	FY20	Growth (Y-O-Y) %
Revenue	34,158.5	32,694.2	4.5%
EBITDA	879.5	652.9	34.7%
PAT	510.7	375.9	35.8%
ROCE (net)	39.2%	19.9%	
Free CashFlow	2,464.7	175.4	

% Contribution of Overseas to Redington Group	FY21	FY20
Revenue	59.9%	63.5%
EBITDA	61.1%	61.0%
PAT	67.5%	73.0%

RIML

The dual effects of COVID-19 and sharp decline in oil prices had manifold economic consequences across the Gulf region. It significantly aggravated the demand shock faced by the hydrocarbon industry, already having to contend with a global slowdown.

It has brought about a greater sense of urgency in ME economies to diversify & de-risk its dependency on oil revenue. Consequently, many steps have been taken which include liberalizing norms for foreign shareholding in local companies and other economy linked polices as also easing of many restrictions. Large infrastructure projects have been initiated that offer investment opportunities to foreign companies.

The countries in Africa had to go through staggered but longer lock down periods during the year, impacting many businesses across sectors. This, in turn, impacted Government revenues, which resulted in lower Government spending on infrastructure.

It is believed that an additional 9.1% of the population in sub-Saharan Africa have fallen into extreme poverty as a result of COVID-19, with about 65% of this increase resulting due to the prolonged lockdowns. The lockdowns in sub-Saharan African countries are likely to fully erode household savings of nearly 30% of the population, sharply diminishing the resilience to future shocks for these economies.

Consumer IT Business

The Personal Computing Devices market in Middle East and Africa (MEA), which is made up of desktops, notebooks, workstations, and tablets, saw shipments increase by an impressive 23.5% year on year during Q3 FY 2021, according to industry analysis conducted by International Data Corporation (IDC). The pandemic-induced factors that drove the market's growth in the second and third quarters of FY 2021 continued to have a positive impact on demand in Q4 FY 2021 as well.

As per IDC, the effects of the COVID-19 pandemic continued to drive demand for PCDs across the region, thanks to the continuation of widespread home learning and remote working practices. The biggest growth was seen in Egypt, where a massive delivery of tablets to the country's education sector. This caused multifold growth in shipments into the country. This delivery was part of a much bigger government-backed education initiative.

Turkey was another big driver, where PCD shipments grew more than 50% year on year in Q3 2020 as the country recovered from the significant slowdown in PCD demand it experienced last year. In other key markets, Saudi Arabia and the UAE both experienced modest growth in shipments; however

Enterprise and Cloud Business

Despite the downturn, Internet Service Providers (ISPs), and Information Technology (IT) infrastructure providers and data centres have seen significant increase in demand, primarily due to the shift towards home and remote working.

The COVID-19 pandemic and subsequent economic fallout has accelerated digital transformation across the region, spurring unprecedented demand for contactless services, cloud solutions, and collaboration applications.

There has been an uptake for digital communications tools and the role that Cloud technology can play in business continuity strategy. In fact, the spending on digital transformation (DX) is set to gather even more pace in the post-pandemic period, increasing from 25% of total IT spending in 2020 to 37% in 2024.

In Saudi Arabia alone, IT spending is expected to rise 4.2% to reach $11.1 billion in 2021, with services and devices accounting for more than half of the market. Markets across the META (Middle East, Turkey and Africa) region are experiencing similar trends. Spending on public cloud services in the region will grow 26.7% to top $3.7 billion with growth across SaaS, PaaS, and IaaS.

According to IDC, the investments in digital transformation and Cloud technology will help drive a 2.8% increase in spending on IT in META market during

CY 2021. It is expected to reach $77.5 billion, after a decline in CY 2020.

Mobility Business

Q4 CY 2020 saw most GCC countries attempting to return to some state of normalcy, with borders re-opening to regular travel, especially in the UAE, where the vaccine roll-out was beginning to take place in the earnest. Although, consumer spending remained focused on essentials, there was a release of pent-up demand, particularly for iOS devices.

Saudi Arabia accounted for 49.4% of all smartphones shipped within the GCC region in Q4 CY 2020. The UAE accounted for 26.1% of the region's smartphone shipments and recorded QoQ growth thanks to the strong performance of Apple's new releases and mid-range models from brands like Samsung.

Redington International Mauritius Limited, Mauritius (RIML) is a leading partner for the vendors in the distribution of technology products and solutions in the META region. In FY21, the META region's contribution to the Company's Overseas Business stood at 92.4%. Your Company significantly improved its earnings from this region.

During FY21, crude oil prices were severely impacted due to travel restrictions and general slow-down of economic activities, which caused drastic erosion in the demand of petroleum products. Since the economies of many of the countries in the region are heavily dependent on oil prices and tourism, FY21 was an extremely challenging year for all business activities.

Like in the other parts of the world, the education sector led the demand for PCs and tablets in the region as e-learning became the norm. Demand for PCs & Smart Phones surged with Remote Working & Social Distancing became commonplace.

Your Company saw significant demand for Enterprise, Mobility and Cloud services in the region, predominantly from the Private sector. The Banking sector in Africa invested in major technology upgrades to address the challenges posed by the new normal, involving accelerated adoption of remote banking by Consumers. This opened up avenues of growth for Your Company.

Among the various regions in META, Middle East with smaller population and high per capita income led the recovery from the Pandemic induced slow-down, helped by a recovery in crude oil prices. UAE's early thrust in vaccinating its population is helping with the recovery of its economic and business activities, while countries in Africa and Turkey remain vulnerable due to inefficient vaccination efforts.

Despite the geo-political situation worldwide and trade tensions, RIML remains committed to the META region and aims to expand its reach in the Consumer, Enterprise, Mobility & Cloud segments. The three main sectors that are expected to drive growth in the META region include education, healthcare and banking.

META Operations (in ₹ Crore)	FY21	FY20	Growth (Y-O-Y) %
Revenue	31,573.5	29,509.0	7.0%
EBITDA	802.6	577.8	38.9%
PAT	455.9	324.6	40.4%

RDPL

During FY21, Redington Distribution Pte Limited, Singapore (RDPL) witnessed two of its major vendors shift from Zero-duty billing model from overseas to ex-India billing and few more vendors are likely to shift their business. The reduction in corporate tax and interest rates by the Government of India to attract more investment into the country and 'Make in India' campaign coupled with the Production Linked Incentive Scheme has led to multinational brands look at India over other regions for operations. This has impacted RDPL's business opportunities in the region as almost 80% of its revenues is dependent on India centric business and RDPL is re-evaluating the impact of the altered business dynamics to suitably restructure its business model.

Given the above limitations and despite the COVID-19 pandemic, RDPL continued to do well during FY21 and aims to realign its business offerings to prepare well for the future demands from the region. Bangladesh, one of the markets RDPL caters to, has been growing at a steady pace with enhanced demand from infrastructure and software-related offerings. There has been a significant demand from Government, Telecom and BFSI segment and RDPL is well positioned to take full advantage of the emerging growth opportunities in Bangladesh

Financial Review

Standalone financial performance

The financial year 2020-21 has been a challenging year for companies across the globe due to the COVID-19 pandemic. Your Company registered robust growth in both revenue and profits despite the impact of the pandemic, due to favourable market condition for IT products, effective capital deployment, robust collection and leveraging of relationship with the vendors.

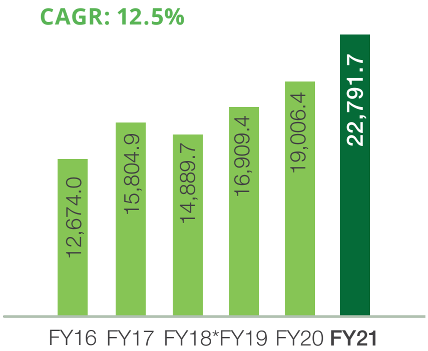
Your Company followed a prudent capital allocation policy sensing a delicate cash flow position in the market. Consequently, your Company repaid the entire borrowings and became a net debt free company. This has been another highlight performance during the financial year 2020-21.

Revenue

Revenue grew by 19.9% during the financial year 2020-21 with a CAGR of 12.5% for 5 years. Your Company could register strong growth despite losing 33 days on account of full lockdown and 28 days of partial lockdown in April & May 2020 imposed by the Indian Government due to the pandemic.

The growth was largely driven by consumer & mobility products, though all product categories registered growth during the financial year 2020-21.

Revenue ₹ in Crores



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

Other income de-grew by 81.0% since dividend was not declared by the subsidiary companies to ensure capital adequacy during the pandemic period. Sans dividend income, other income grew by 202.6% on account of:

- Profit from sale of investment in Ensure Support Services India Limited, a wholly owned subsidiary.
- Interest income from bank deposits.
- Interest income received on income tax refund amounts.

Gross Margin

Gross margin dropped from 6.0% to 4.1% during the financial year 2020-21 since dividend was not declared by the subsidiary companies to ensure capital adequacy during the pandemic period, it resulted in a drop of 1.8% in gross margin.

Business gross margin dropped from 4.2% to 4.0% due to:

- Change in sales mix.
- Reduction in the rebates by vendors of certain product categories.

Expenses

Employee benefit expenses

Employee cost increased by 5.5% during the financial year 2020-21. However, employee cost as a percentage of revenue dropped from 0.8% to 0.7% and as a percentage of gross margin dropped from 18% to 17%.

Increment was not declared for the employees due to uncertain market condition on account of the pandemic. However, depending on quarterly performances, incentives were paid to the employees which predominantly contributed to the increase in employee cost. Moreover, "Corona Kavach" insurance cover was taken for the employees by your Company which marginally contributed to the increase in employee cost.

Company continues to exercise caution on increase in employee cost. Head count increase was sanctioned only for new-age or enterprise business verticals and core business verticals continued without increase in head count.

Other expenses

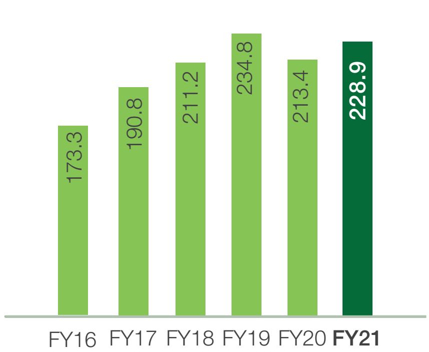
Other expenses increased by 3.6% during the financial year 2020-21. The increase is on account of increase in variable expenses like supply chain & freight expenses which is directly related to increase in revenue, contributing to 4.4% and increase in factoring and forex cost which was resorted to for mitigating risk of uncertain market condition during the pandemic period, amounting to 20.6%.

Without the above increase in expenses, other expenses reduced by 30.8 % due to effective cost control measures initiated by the Company and work from home policy which reduced office expenditure across the country. Other significant reduction is on account of:

- Reduction in provision for doubtful receivables representing 13.3% of total change.
- Reduction in bank charges contributing 4.3%.
- Reduction in travel and conveyance expenses representing 3.8%.

Other expenses reduced as a percentage of revenue from 1.2% to 1.1% and as a percentage of gross margin from 29.6% to 26.6% respectively.

Other expenses (excluding sales promotion expense) ₹ in Crores



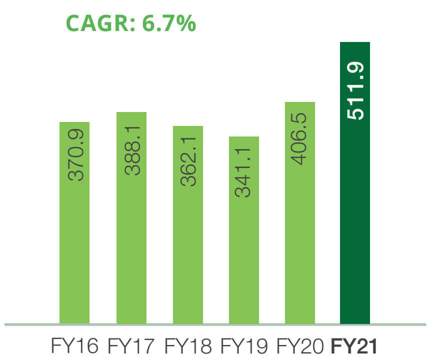
EBITDA

EBITDA de-grew by 28.9% during the financial year 2020-21. However, excluding dividend income from subsidiary and gain on sale of subsidiary, the EBITDA grew by 25.9%. EBITDA growth is attributed to:

- Growth in revenue.
- Operational leverage in expenses.

The Company has grown its EBITDA over a 5 year period with a CAGR of 6.7%.

EBITDA excluding dividend income and gain on sale of subsidiary ₹ in Crores



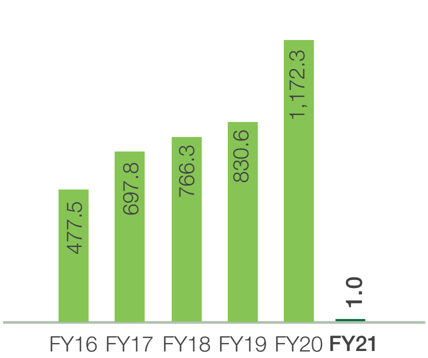
Finance costs

Finance costs decreased by 59.5% on account of decrease in borrowings. Working capital was tightly managed and controlled which resulted in free cash flow of ₹ 873.4 Crores which was utilised for repayment of borrowings. Working capital on an average reduced due to:

- Factoring of receivables without recourse as a risk mitigation process during the pandemic period.
- Extended supplier credit received during the first half of the financial year.
- Maintaining low inventory levels primarily due tight control on purchases,

better demand environment and supply constraints on account of the pandemic.

Borrowings ₹ in Crores



Interest cover ratio increased to 11.3 times during the financial year 2020-21 from 3.6 times for the previous financial year due to decrease in interest cost and increase in operating profits.

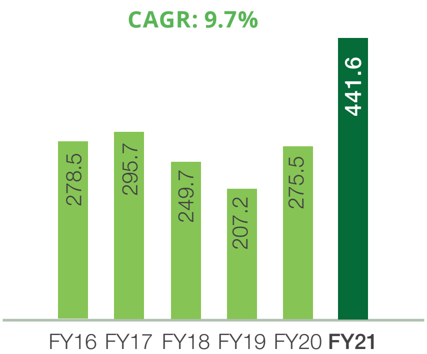
Profit before tax (PBT)

PBT de-grew by 25.3% during the financial year FY 2020-21. However, excluding dividend income, the Company registered a strong growth of 60.3% in PBT due to:

- Growth in revenue.
- Operational leverage in expenses.
- Decrease in finance costs on account of repayment of borrowings.

PBT as a percentage of revenue increased from 1.5% to 1.9% primarily on account of the above reasons.

PBT excluding dividend income and gain on sale of subsidiary ₹ in Crores

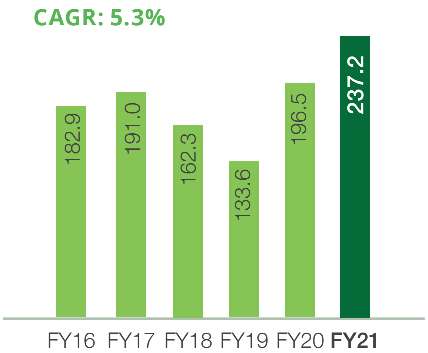


Profit after tax (PAT)

PAT de-grew by 46.2% during the financial year 2020-21. However, on excluding dividend income and gain on sale of subsidiary, the Company registered a growth of 20.7% in PAT due to increase in earnings.

PAT growth of 20.7% as compared to PBT growth of 60.3% is on account of one-time tax expense of ₹ 89.0 Crores mainly under *Vivad Se Vishwas* (VSV) scheme (please refer note 47 of standalone financial statements). Excluding the one-time tax expense, the Company registered a strong PAT growth of 66.0% in line with growth in PBT%.

PAT excluding dividend income and gain on sale of subsidiary ₹ in Crores



Cash flow statement

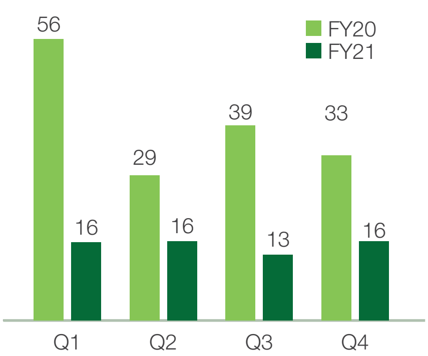
The Company generated free cash flow of ₹ 873.4 Crores during the financial year 2020-21 which was used to repay bank borrowings. The Company repaid its entire bank borrowings resulting in a net debt free company for the first time since listing in 2007.

Operating activity

Cash generated from operation during the financial year 2020-21 was ₹ 870.0 Crores primarily on account of reduction in working capital. Though profit from operation was ₹ 263.3 Crores, reduction in working capital largely contributed to positive cash flow from operating activity.

Working capital was well managed throughout the financial year 2020-21. Working capital reduced despite increase in revenue resulting in an overall reduction of 17 working capital days.

Working Capital Days



Funds Employed

Shareholder funds increased from ₹ 1,801.8 Crores to ₹ 2,067.7 Crores as at March 31, 2021, mainly on account of profit after tax of ₹ 263.3 Crores.

Gross borrowings reduced to ₹ 0.99 Crores as at March 31, 2021 from ₹ 1,172.3 Crores as at March 31, 2020, due to repayment of bank borrowings.

Net debt as at March 31, 2021 was negative at ₹ 302.46 Crores as compared to positive ₹ 554.9 Crores as on March 31, 2020. Net debt equity ratio is negative due to repayment of borrowings.

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

Return on Capital Employed (ROCE)

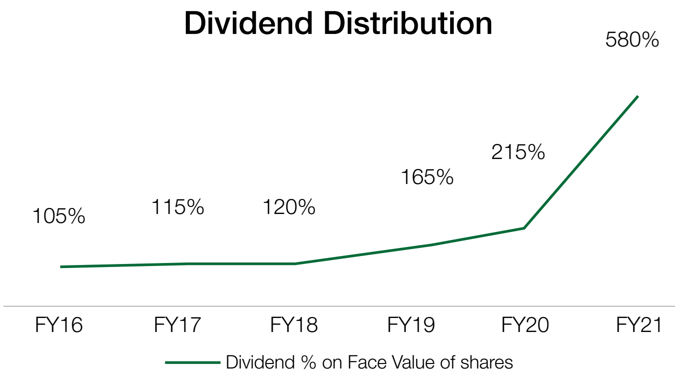
Return on average capital employed (gross) has increased from 21.1% to 33.0%, due to increase in earnings and reduction in working capital deployment during the financial year 2020-21 and return on average capital employed (net of cash) has increased from 26.6% to 48.0%.

Return on Equity (ROE)

Return on average equity has increased from 24.6% to 26.9%, due to increase in earnings in the financial year 2020-21.

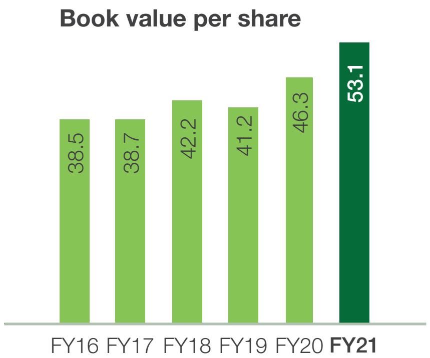
Dividend

The Board of Directors at its meeting held on May 27, 2021 has recommended a dividend of ₹ 11.60/- per equity share of ₹ 2/- each (i.e. 580 % of face value) including a one-time special dividend of ₹ 4/- for the financial year ended March 31, 2021 subject to the approval of shareholders in the ensuing Annual General Meeting.



Book value and earnings per share

The book value per share increased from ₹ 46.3/- per share to ₹ 53.1/- per share, mainly on account of growth in the profits during the year.



The earnings per share decreased by 46% for the year ended March 31, 2021 to ₹ 6.77 per share as compared to ₹ 12.58 per share during the previous financial year. However, on excluding dividend income and gain on sale of subsidiary, the earnings per share increased by 21% to ₹ 6.10 per share as compared to ₹ 5.05 per share in the previous year.

Key financial info*:

Particulars	2020-21	2019-20
Return on average capital employed (Net of cash) (%)	48.0	26.6
Return on average capital employed (Gross) (%)	33.0	21.1
Return on average equity (%)	26.9	24.6
Basic EPS (₹)	6.1	5.1
Debtors turnover ratio	8.1	6.6
Inventory turnover ratio	21.4	16.7
Current ratio	1.4	1.2
Debt equity ratio (net)	(0.2)	0.3
Operating profit margin (%)	2.1	2.0
Net profit margin (%)	1.0	1.1

*All figures have been computed after eliminating one-offs such as dividend income and gain on sale of subsidiary.

Consolidated Financial Performance

The consolidated financial statement of the Group has been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, as amended from time to time.

The consolidated financials 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 Crore 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.

Analysis on the Consolidated Financial Performance

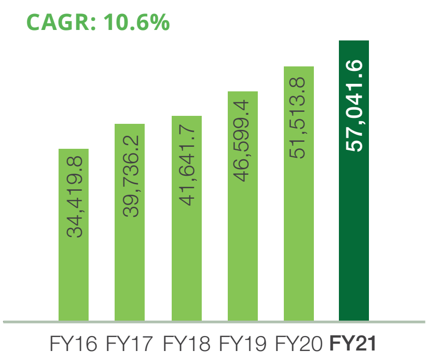
The financial year 2020-21 has been a challenging year for companies across the globe due to the COVID-19 pandemic (Refer Note 2 (d) of the consolidated financial statements). The Group registered robust growth in both revenue and profits, despite the impact of the pandemic, due to favourable market condition for IT products, effective capital deployment, consistent collection of receivables from customers and leveraging of relationship with the vendors.

The Group followed a prudent capital allocation policy sensing a delicate cash flow position in the market. Consequently, your Group could repay bank borrowing and become a net-debt free company as on 31st March 2021. This has been an important highlight in our performance during the financial year 2020-21.

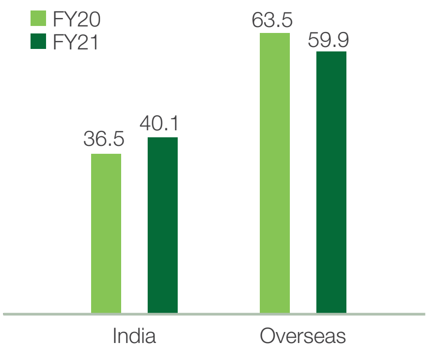
Revenue

Consolidated revenue grew by 10.7% during the financial year 2020-21 with a CAGR of 10.6% for 5 years. The Group registered double digit growth despite losing many days on account of lockdown imposed by Governments across geographies. Mobility business grew strongly by 20.3% and IT business grew by 6.2%.

Revenue Growth ₹ in Crores



Revenue contribution by Geography In %



During the year, India business grew its revenue by 21.6% and overseas business by 4.5%.

Gross Margin

Gross margin grew by 13.1% (5.7% of revenue) during the financial year 2020-21 over financial year 2019-20 (5.6% of revenue).

India segment gross margin percentage reduced to 5.7% in the financial year 2020-21 from 6.4% due to:

- Change in sales mix.
- Reduction in the rebates by vendors of certain product categories.
- Divestment of Ensure business

Overseas segment gross margin improved to 5.7% from 5.1% due to strong business performance.

Overheads

The consolidated overheads increased by a modest value of ₹ **7.4 crores** in the financial year 2020-21 despite revenue growth of 10.7%. The increase is on account of appreciation in average rate of USD by 4.7%. The reduction in cost was possible due to various cost control initiatives implemented by the company in operating expense.

During the financial year 2020-21, Ensure Support Services (India) Limited (Ensure) was in operation only for 4 months as it was sold (Refer Note 43 of the consolidated financial statements). This resulted in overall expenses reduction of 2.3%.

Employee Costs

Employee cost increased by 6.1% during the financial year 2020-21. Sale of Ensure resulted in reduction of employee cost by 2.1%. Factoring reduction on account of sale of Ensure, overall employee cost grew by 8.2% on account of:

- Increase in average rate of USD by 4.7%.
- Incentives to the employees depending on the better quarterly performances.

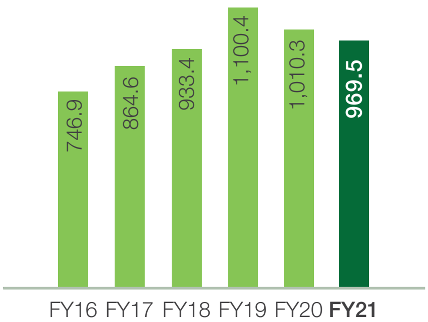
The Group has been conscious in taking care of its employees across geographies during the pandemic period while continuing to exercise caution on increase in employee cost.

Other Expenses

Other expenses reduced by ₹ 40.8 crores in the financial year 2020-21 despite increase in average rate of USD by 4.7% due to effective cost control measures initiated by the Group, work from home policy which reduced office related expenditure across various geographies and reduction on account of sale of Ensure. One main reason for reduction in other expenses is:

- Decrease in revenue & corresponding freight cost of Rajprotim Supply Chain Solutions Limited (RCS) a step-down subsidiary of ProConnect Support Solutions Limited (PCS).
- In the previous financial year other expenses was high due to write-off of advances paid to a service provider amounting to ₹ 32.6 Crores in the India Segment. There were no such expenses in the financial year 2020-21.

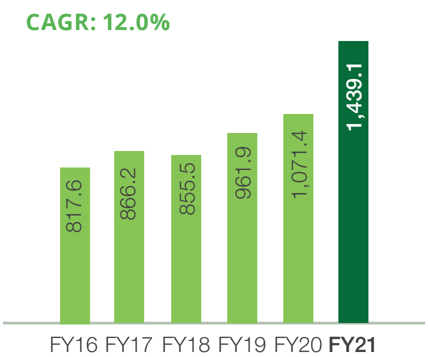
Other expenses ₹ in Crores



EBITDA

EBITDA grew by 34.3% during the financial year 2020-21 with a CAGR of 12% over the past 5 years. EBITDA growth is higher than revenue growth due to better operating leverage.

EBITDA ₹ in Crores

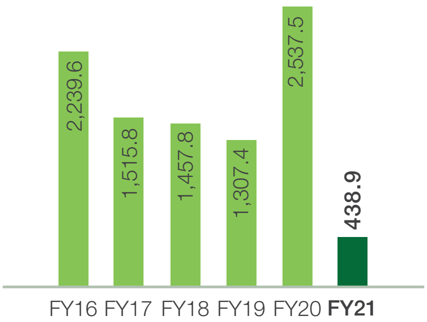


Finance Costs

Finance costs reduced by ₹ 62.6 Crores during the financial year 2020-21 as the average borrowing across geographies were very low. The companies across the Group has ensured efficient and effective in utilisation of working capital. This resulted in free cash flow of ₹ 3,360 Crores which was utilised for repayment of borrowings.

Borrowings

₹ in Crores

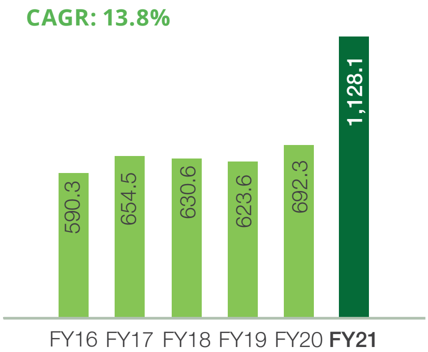


Profit before tax (PBT)

PBT strongly grew by a record breaking 63.0% during the financial year 2020-21 with a CAGR of 13.8% over the past 5 years.

Strong growth in PBT is due to strong growth in EBITDA and lower interest cost on account of effective working capital management across geographies. PBT as a percentage of revenue increased from 1.3% to 2.0% primarily on account of the above reasons.

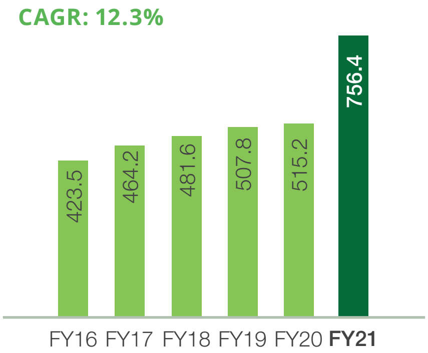
PBT ₹ in Crores



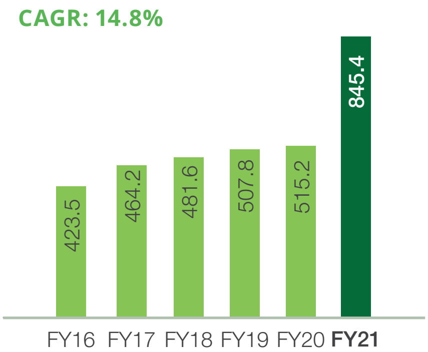
PAT

PAT registered a strong growth of 46.8% during the financial year 2020-21 with a CAGR of 12.3% over the past 5 years. PAT growth is lower than PBT growth on account of one-time tax provision of ₹ 89.0 Crores mainly due to application under *Vivad Se Vishwas* (VSV) scheme in India segment as stated in stand-alone analysis (Refer Note 46 of the consolidated financial statements). Sans the impact, the company registered a strong growth of 64.1% in line with the growth in PBT.

PAT (considering one-time taxation) ₹ in Crores



PAT (without considering one-time taxation) ₹ in Crores



Key Ratios

Particulars	2020-21	2019-20
ROCE (Net of cash) (%) *	36.5	19.3
ROCE (Gross) (%) *	19.9	14.4
Return on Average Equity (%) **	16.4	12.6
Book Value/ Share (in ₹)	126.3	110.3
EPS (in ₹)	19.4	13.2
Interest Cover (Times)	8.3	4.2
Gross Debt : Equity (Times) ***	0.08	0.5
Net Debt : Equity (Times) ***	(0.58)	0.03

* ROCE represents return on average capital employed. Goodwill has been excluded and Capital reserve has been included for computation of ROCE.

**ROE represents return on average equity. Goodwill has been excluded and Capital reserve has been included for computation of ROE.

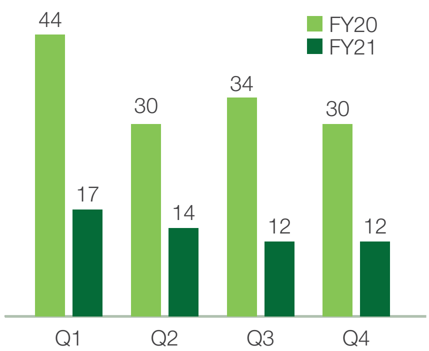
*** Equity for computation of Debt : Equity represents equity attributable to the shareholders of the Company. Goodwill has been excluded and Capital reserve has been included for computation of Debt : Equity.

Cash flow

Operating activity

Cash generated from operation during the financial year 2020-21 was ₹ 3,496.9 Crores which is an all-time high for the Group since listing. Working capital was well managed throughout the year both in India and in Overseas Segment, resulting in high positive cash flow from operation. Quarter wise comparative working capital days is given below:

Working Capital Days



ROCE

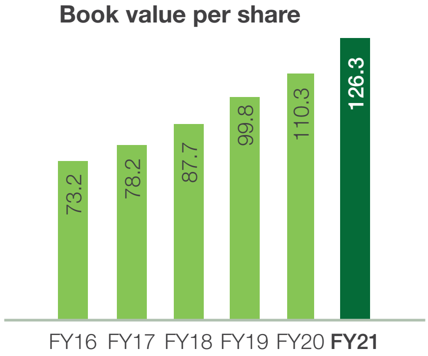
Return on capital employed increased attractively in the financial year 2020-21 due to higher operating profits generated out of effective working capital management in both the geographies.

ROE (Return on Networth)

Return on Average Equity has increased, due to growth in earnings in the current year. Earnings growth has happened at higher rate despite pandemic and one-time tax impact in India segment.

Book Value per share

Book value per share increased by ₹16.0 due to higher EPS of ₹19.4 per share.



EPS

EPS increased in financial year 2020-21 due to delivery of profit growth at consolidated level.

Risk Management

Redington India identifies its primary risks to fall under three broad categories, namely Inventory Risk, Receivable Risk and Currency Risk. The Company deploys adequate mitigation measures and management oversight to safeguard stakeholders' value at all times

The Company has developed a dynamic business model that ensures it remains ahead of the competition in the ever-changing technological environment. The diversified product categories and brands, alongside the presence in multiple markets, and continued enhancement of reach and expansion of business line has helped your Company to de-risk itself in areas of geographical risks, product & technology obsolescence, over-dependence on a particular vendor and product/ solution segment.

Risks	Mitigation Measures	Effect of Mitigated Risk
Inventory Risk	• Stock Rotation • Price Protection • Marketing Support • Prudent Provisioning	Inventory provisioning at 0.04% of Revenue since 10 years
Receivables Risk	• Collection of postdated Cheques • Performance linked pay-out only on collection • Strict internal parameters for overdues and bad debts	AR Provisioning at 0.10% of Revenue since 10 years
Currency Risk	Hedging all exposures India : ~84% of purchases in Indian rupee dominated invoices, forward cover for the rest with premium becoming a part of other expenses. MEA: Currencies pegged in USD denominated transactions. Effective forward controls and local currency borrowings.	Consistent business performance and earnings despite fluctuating currencies

Internal Control Systems

Your Company has put in place adequate mechanisms of internal controls of checks and balances that are commensurate with the nature and size of its business. A detailed presentation on the Company's internal control is made in Annexure A of the Board's Report, forming part of Annual Report 2020-21.

Human Resource Development

During FY2020-2021, Your Company re-emphasized its commitment towards the well-being of its precious human resources. In the very early stages of the pandemic, your Company took the decision of committing itself to the security of employment of all its employees, even in the face of completely uncertain business outlook. Safety, Security & Health of each and every employee was accorded the highest importance and continuous support was extended through constant communication and outreach.

A communication platform dedicated to deal with anxieties and concerns in these testing times was developed and deployed. From the MD holding regular virtual Town Halls to the Senior Management team connecting with employees directly, every effort was made to ensure the physical and mental well-being of the employees and their family members. "Stay Safe and Stay Healthy" was the slogan adopted throughout the organization. During the year, we ran programs on stress management, mental health and fitness to ensure that the employees were equipped as best as possible to embrace the Work from Home routine.

The Company's commitment to its employees in these very difficult times was returned in full measure by all Redingtonians. Employee productivity was at an all-time high, evidenced by your Company's strong performance during FY21. Our employees were quick to adapt to the hybrid model of Work from Home and Work from Office. We continued our investments in Learning, Development & Up-skilling activities, to help employees become future ready in the rapidly changing business environment.

Your Company complies with all necessary statutory norms, as mandated by laws of the land and our business partners. We will continue to maintain our focus on Human Capital Management & Development, as we consider our people as our key asset.

Your Company will continue to ensure that it does everything possible to ensure the safety and well-being of its employees, even as we hope that the pandemic recedes and a level of normalcy returns. It has put in place Vaccination support programs for its employees and will continue to carefully calibrate the opening up of work-place and the ratio of employees working from office at any given time.

Business Outlook

We will continue to embrace the learning of FY21, with prudent management of Cash Flow & capital Allocation. The focus on business hygiene will continue, even as we explore all possible growth opportunities on the back of resurgence of demand for the products and solutions that we deal in.

Your Company's focus will be on aligning itself to the growing demand of emerging technologies and solutions, led by Cloud, Analytics, Data Sciences, AI, ML, IoT and Digital. Simultaneously, your Company will fast-track its Digital Transformation journey, with major investments planned for putting in place the required Infrastructure.

Growth Drivers:

India

- ICT spend in India expected to grow over 10% to touch $91 billion and $111 billion by 2024 as enterprises' focus on faster adoption of technology across processes amid COVID-19 pandemic
- *Aatmanirbhar Bharat Abhiyan*, Make in India and Production led Incentives (PLI), and others to make Indian businesses competitive in the world market, would require technology-led investments and digital transformation
- Banking and telecommunications industry to contribute the highest, around 14% of the overall ICT spend in 2021
- India's march towards becoming a $5 trillion economy by 2025
- Cloud, Cyber security, Digital Initiatives, AI & ML led technology solutions, along with PCs and Smart Phones will be the lead growth drivers in the coming years.

Global

- ICT spending in 2021 through 2023 is expected to grow at least by 5% per annum due to the expanding scope of new technologies
- New technologies such as robotics, artificial intelligence, and AR/VR will further expand to represent over 25% of ICT spending globally
- By 2025, the global laptop market is expected to touch $149.02 billion at a CAGR of 6.5%
- Overall ICT spending, telecom services and IT, in META region to grow 1.9% to surpass $209.5 billion in 2021

Board's Report

To the Members,

Your Directors are pleased to present their Twenty Eighth Annual Report together with the Audited Financial Statements of your Company ("the Company" or "Redington") for the financial year ended on March 31, 2021.

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

₹ in Crores

Particulars	2020-21			2019-20		
	India Consolidated	Overseas Consolidated	Total Consolidated	India Consolidated	Overseas Consolidated	Total Consolidated
Revenue from operations	22,827.4	34,118.5	**56,945.9**	18,789.7	32,675.5	**51,465.2**
Other Income	55.7	40.0	**95.7**	29.8	18.8	**48.6**
Total Revenue	**22,883.1**	**34,158.5**	**57,041.6**	**18,819.5**	**32,694.3**	**51,513.8**
Total Expenses:						
a) Cost of goods sold	21,581.7	32,219.3	**53,801.0**	17,608.0	31,040.3	**48,648.3**
b) Employee Benefits	199.8	632.2	**832.0**	209.0	574.8	**783.8**
c) Other Expenses	542.0	427.5	**969.5**	584.0	426.3	**1,010.3**
Profit before Interest, Depreciation and Tax	**559.6**	**879.5**	**1,439.1**	**418.5**	**652.9**	**1,071.4**
a) Interest Expenses	54.8	101.7	**156.5**	122.0	97.0	**219.0**
b) Depreciation & Amortization Expenses	54.8	93.4	**148.2**	72.9	82.5	**155.4**
Profit before Tax and exceptional item	**450.0**	**684.4**	**1,134.4**	**223.6**	**473.4**	**697.0**
Exceptional item						
Exceptional item - Impairment of goodwill and other intangibles	-	6.3	**6.3**	3.6	1.1	**4.7**
Profit before tax	**450.0**	**678.1**	**1,128.1**	**220.0**	**472.3**	**692.3**
Tax Expense	204.3	137.2	**341.5**	82.2	76.2	**158.4**
Share of loss of associate	-	-	**-**	-	-	**-**
Minority Interest	-	30.2	**30.2**	(1.5)	20.2	**18.7**
Profit after Tax	**245.7**	**510.7**	**756.4**	**139.3**	**375.9**	**515.2**

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

₹ in Crores

Surplus in the Standalone Statement of Profit and Loss	
Balance as per the last Balance Sheet as on March 31,2020	1,391.27
Add: Profit for the financial year 2020-21	263.33
Balance at the end of the year as on March 31, 2021	1,654.60

FINANCIAL PERFORMANCE

The Standalone and Consolidated Financial Statements of the Company for the financial year 2020-21 have been prepared in accordance with the Indian Accounting Standards (Ind AS) as required under the Companies Act, 2013.

The consolidated revenue of the Company for the financial year was ₹ 57,041.6 crores as against ₹ 51,513.8 crores in the previous financial year registering a growth of 10.7%, while the consolidated net profit for the year grew by 46.8% to ₹ 756.4 crores as against ₹ 515.2 crores in the previous financial year.

The Basic Earnings per Share (EPS) on a consolidated basis increased to ₹ 19.44 for the financial year under review as compared to ₹ 13.24 for the previous financial year.

The Statement containing 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.

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.

Subsidiaries

As on March 31, 2021, the Company has one direct and two step-down subsidiaries in India, while in overseas, it has two direct and fifty three step-down subsidiaries.

During the year under review, the Company sold its entire shareholding in M/s. Ensure Support Services (India) Limited ("Ensure"), a wholly owned subsidiary of the Company, to M/s. Accel Limited. Ensure was in the business of providing after sales support services including warranty and out-of-warranty services independently and on behalf of Original Equipment Manufacturers (OEM), and other allied services. Since this business vertical was not strategic to the Company, the entire shareholding in Ensure was divested on July 31, 2020.

The details of the subsidiaries incorporated/acquired and ceased to be subsidiaries during the financial year under review, as applicable, are given as part of notes to the consolidated financial statements.

Dividend

On account of exemplary financial and business performance during the financial year 2020-21, the Board had recommended a final dividend of ₹ 11.60 per equity share (i.e. 580% of the Face Value) including one-time special dividend of ₹ 4 per equity share for the approval of the shareholders. The Company had declared two interim dividends totaling ₹ 4.30 per equity share (i.e. 215% of the Face Value) during the financial year 2019-20.

The dividend pay-out to the shareholders for the financial year under review, subject to approval by the shareholders, is expected to be around ₹ 451.6 crores as compared to ₹ 167.3 crores for the previous financial year.

Pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the Board has approved and adopted a Dividend Distribution Policy, detailing the parameters to be considered by the Board for recommendation or declaration of dividend. The Dividend Distribution Policy of the Company is available on the Company's website and also enclosed as Annexure J to this report.

BUSINESS PERFORMANCE

India business (Standalone)

Discussion on the Company's Standalone business performance in India forms part of the Management Discussion and Analysis Report, which is annexed to this Annual Report.

Indian Subsidiary - Proconnect Supply Chain Solutions Limited

ProConnect Supply Chain Solutions Limited (ProConnect) is the wholly owned Indian subsidiary of Redington (India) Limited. ProConnect is a leading 3PL player providing customized tech-based supply chain solution to its clients. Today, ProConnect has established itself in the Indian integrated supply chain market with a robust distribution network and reputed client base.

ProConnect has been on a consolidation mode to bring all its businesses under One ProConnect. In this direction, Auroma Logistics Private Limited (erstwhile subsidiary) was merged with ProConnect under the Scheme of Amalgamation vide Order of Regulator dated January 20, 2021. This Order was effective from April 1, 2020. The Board of Directors of ProConnect have considered and approved the proposal for merger of Rajprotim Supply Chain Solutions Limited with ProConnect and the merger is currently under process.

During FY 2020-21, ProConnect also undertook the integration of its frontend and backend operations by use of technology. It has been streamlining its focus into six key verticals – IT and Telecom, E-Commerce, Healthcare and Pharma, FMCG, FMCD and Value-Added Services.

ProConnect foresees huge potential in the organized supply chain solutions market in India led by digitalization, and government initiatives such as Atma Nirbhar Bharat Abhiyaan and Make in India.

ProConnect aims to be a technology driven company and is geared up to become a premium vertical specialist, offering value added supply chain solutions.

Indian Associate

Redington (India) Investments Limited (RIIL), an associate company of Redington, was operating Apple retail stores in South India through its wholly owned subsidiary, Currents Technology Retail (India) Limited (Currents). Since Currents was making continuous loss, it has completely exited its business. Accordingly, restructuring options including proposal for winding up of RIIL and Currents is underway.

Overseas Operations

Redington's overseas operations are carried out through its two wholly-owned subsidiaries, Redington International Mauritius Limited, Mauritius (RIML) and Redington Distribution Pte Limited, Singapore (RDPL). The business performance of the two entities is covered in the Management Discussion and Analysis.

RIML address the Middle East, Turkey, Africa (META) region, which contributes to 55.4% of the consolidated revenue of Redington. RIML continues to remain agile readjusting its strategy to meet the uncertainties and fast-changing market dynamics in the region. The COVID-19 pandemic has thrown open challenges as well as opportunities for the Company and the business is realigning itself to remain relevant and focused. Some of the key trends that have emerged over the last year include strong push towards Cloud, Enterprise services and Mobility.

RDPL addresses the South Asian region comprising of Sri Lanka, Bangladesh, Nepal and Maldives markets. With the changing business dynamics of its major customers, RDPL has been re-strategizing its market focus. There has been a shift in the business from hardware to software, subscription and services in the region. Moreover, the change in the taxation structure in India has led to OEMs/vendors changing their billing model from dollars to Indian Rupees. This has impacted the business opportunities for RDPL that can be done out of Singapore. However, this has created new opportunities for our India distribution business. Bangladesh and Sri Lanka are seen as the future growth markets for RDPL.

Overall, the Enterprise business alongside demand for Cloud and Mobility services led the growth of Redington's overseas business. Some of the key product segments that saw significant demand pull include network infrastructure, Cloud, Cyber security, software and licensing. This demand was led by significant IT infrastructure and software upgrade spending by companies to fast track digital transformation in the wake of the COVID-19 pandemic that disrupted supply chain and businesses across the region we operate in.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Upon the recommendations of Nomination and Remuneration Committee, at the meeting held on June 11, 2020, the Board had approved the change in the role and responsibility of Mr. Ramesh Natarajan from "Joint Chief Operating Officer" to "Chief Executive Officer – India Distribution Business" with immediate effect.

The Board of Directors, taking cognizance of recommendation of Nomination and Remuneration Committee about succession planning, took the following decisions:

A. Mr. Raj Shankar (DIN: 00238790), Managing Director, was elevated as Vice-Chairman and Managing Director of the Company with effect from April 1, 2021.

B. Mr. Rajiv Srivastava (DIN: 03568897) was appointed as Additional Director and Joint Managing Director for a period of five years with effect from April 2, 2021, subject to the approval of shareholders.

Based on the terms of appointment, Mr. Tu Shu-Chyuan (DIN: 02336015) Non-Executive Director of the Company, is liable to retire by rotation, and being eligible, has offered himself for re-appointment.

The resolutions for above appointment / reappointment are included in the Notice calling for the Annual General Meeting. A Brief profile of the Directors recommended for appointment or reappointment are furnished as Annexure to the Notice.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Directors of the Company, after due enquiry, confirm that:

a) In the preparation of the annual accounts for the year ended March 31, 2021, 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, 2021 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 Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The Annual Accounts have been prepared 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

Statutory Auditors

At the 24th Annual General Meeting of the Company held on July 29, 2017, the members of the Company had approved the appointment of M/s BSR & Co. LLP (BSR), Chartered Accountants (Firm Registration No. 101248W/W–100022) as Statutory Auditors of the Company, until 29th Annual General Meeting of the Company.

The Statutory Auditors have issued their reports on the Standalone and Consolidated Financial Statements of the Company and these are appended here to this report. The Statutory Auditors' Reports on the Standalone and Consolidated Financial Statements do not contain any qualifications, reservations or adverse remarks.

Secretarial Auditors

Pursuant to provisions of Section 204 of the Companies Act, 2013 read with relevant rules made thereunder, the Company had appointed M/s. R Bhuvana & Associates, Practising Company Secretary, to conduct secretarial audit of the Company. The secretarial audit report in Form MR-3 is enclosed as Annexure G to this report. There are no qualifications, reservations or adverse remarks made by the Secretarial Auditor in her report.

During the year under review, neither the Statutory Auditors nor the Secretarial Auditor have reported any instances of fraud committed against the Company to the Board/Audit Committee under Section 143(12) of the Companies Act, 2013.

Cost records and Cost Audit

Maintenance of Cost Records and requirement of Cost Audit as prescribed under Section 148(1) of the Companies Act, 2013 are not applicable for the business activities carried out by the Company.

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 various meetings held during the financial year are given in the Report on Corporate Governance that forms part of this Annual Report.

Independent Director Declaration

All the Independent Directors of the Company have given declaration that they fulfil "independence" criteria, stipulated in the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Internal Financial Controls

The Company has prepared a comprehensive document on Internal Financial Controls (IFC) in line with the requirements 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 enclosed to this Report as Annexure A.

The Company has adopted policies and procedures for ensuring orderly and efficient conduct of its business, including safeguarding of its assets, prevention and detection of fraud, error reporting mechanism and ensuring accuracy and completeness of financial statements. Based on the results of assessments carried out by Management, no reportable material weaknesses or significant deficiencies in the design or operation of internal financial controls were observed. The Board opines that the internal controls adopted and 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 for risk control and management 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, 1,31,522 equity shares of ₹ 2/- each were allotted to employees including employees of Subsidiary Companies under Redington Stock Appreciation Right Scheme, 2017.

The disclosure as required under Regulation 14 of SEBI (Share Based Employee benefits) Regulations, 2014 is enclosed to this Report as Annexure B. A Certificate from the Statutory Auditors of the Company will be made available during the Annual General Meeting stating that Redington Stock Appreciation Right Scheme, 2017 have been implemented in accordance with SEBI (Share Based Employee benefits) Regulations, 2014 and as per the resolutions passed by the shareholders.

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:

Effort made towards technology absorption:

Your Company continues to use the latest technologies for improving the quality of services it offers. Digitalization and adoption of 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. During the Pandemic, your company has seamlessly and securely able to shift to Work from Home model and have been able to provide all Employees with relevant technology tools and connectivity to carry out the work without any interruption.

Import of Technology:

The Company has not imported any technology during the year.

C. Expenditure on Research and Development:

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

Foreign Exchange earnings and outgo

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

Earnings in Foreign Currency:

Particulars	₹ in Crores
Rebates & discount	101.6
FOB value of exports	0.3
Others	0.4
Total	**102.3**

Expenditure in foreign currency:

Particulars	₹ in Crores
CIF value of imports	3,016.7
Royalty (cost of software included under purchase)	12.7
Director's sitting fee	0.1
Director's commission	0.6
Others	3.2
Total	**3,033.3**

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 current policy is to have an appropriate mix of executive, non-executive and independent directors to maintain independence of the Board and separate its functions of governance and management. The same is enclosed to this report as Annexure C.

Performance evaluation of the Board and Committees

The evaluation of all the Directors, Committees and the Board as a whole was conducted based on the criteria and framework approved by Nomination and Remuneration Committee. 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 Directors laid down by Nomination and Remuneration Committee are enclosed to this report as Annexure D.

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, are given in 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 17 and 8 respectively to the Standalone Financial Statements. The Company has neither given guarantees nor provided security under Section 186 of the Companies Act, 2013.

Corporate Social Responsibility

Redington primarily carries out Corporate Social Responsibility (CSR) activities through its trust, Foundation for CSR @ Redington, by supporting its projects in the areas of education, employability skills training for the underprivileged and specially abled, healthcare and environmental sustainability. The Corporate Social Responsibility 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 enclosed as Annexure F to this report.

Vigil Mechanism

The Company believes in the conduct of affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. The Company has implemented a vigil mechanism/ whistle blower policy, to provide a framework for the Company's employees and Directors to promote responsible and secure whistle blowing in the organization across levels. It also provides protection to whistle blowers who raise concerns on serious irregularities within the Company. The details of establishment of vigil mechanism are made available in the website of the Company. A brief summary of the vigil mechanism implemented by the Company is enclosed to this report as Annexure H.

Extract of Annual Return

Annual Return of the Company is available in our website under Shareholders' information.

Investor Education and Protection Fund (IEPF)

Pursuant to the provisions of the Companies Act, 2013 read with Investor Education and Protection Fund [IEPF] 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 IEPF. Accordingly, the Company has transferred the unclaimed dividend of ₹ 32,029 to the IEPF and 519 shares to the demat account of the IEPF authority. The details of the shares due to be transferred to IEPF during the financial year 2021-22 is available in our website under 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 the Companies Act, 2013 during the financial year under review.
- The Board decided not to transfer any profit to general reserve.
- 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 I in Form AOC-2.

- There are no material changes and commitments affecting the financial position of the Company which have occurred between March 31, 2021 and the date of this report.
- The Company has complied with applicable secretarial standards.

Web links

Particulars	Web link
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
Details of establishment of Vigil mechanism	https://redingtongroup.com/india/wp-content/uploads/sites/4/2018/05/DetailsofVigilMechanismestablishedbytheCompany.pdf
Dividend Distribution Policy	https://redingtongroup.com/india/wp-content/uploads/sites/4/2018/05/DividendDistributionPolicy.pdf
Annual Return for FY 2020-21	https://redingtongroup.com/wp-content/uploads/2021/07/Annual-Return.pdf

COMPLIANCE WITH OTHER REGULATIONS

Downstream Investment

With regard to the downstream investments in Indian Subsidiaries, the Company is in compliance with applicable Rules and Regulations of Foreign Exchange Management.

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, also ensuring complete anonymity and confidentiality of information. Adequate workshops are conducted and awareness on the policy is also created by sending group mailers to the employees. No complaint was reported by any employee pertaining to Sexual Harassment, during the year under review.

ACKNOWLEDGMENT

Your Directors take this opportunity to gratefully acknowledge the co-operation and support received from the shareholders including the principal shareholders, suppliers, vendors, customers, bankers, business partners / associates, channel partners, bankers, financial institutions, Regulatory / Government authorities to the Company. The Directors record their appreciation for the contributions made by employees of the Company, its subsidiaries and associates, for their hard work and commitment, towards the success of the Company. 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

J. Ramachandran
Chairman
DIN: 00004593

Place: Bengaluru
Date: May 27, 2021

INDEX OF ANNEXURES TO THE BOARD'S REPORT

ANNEXURE A

NOTE ON INTERNAL FINANCIAL CONTROLS

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. Risks are then analysed and managed based on appetite, transfer, mitigation and avoidance.

Insurance coverage, Accounts Receivable 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. The company implemented SAP ERP for its operation. The controls were reassessed and fine-tuned to suit the SAP.

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.

Redington
SEAMLESS PARTNERSHIPS

ANNEXURE B

DISCLOSURES AS REQUIRED UNDER REGULATION 14 OF SEBI (SHARE BASED EMPLOYEE BENEFITS) REGULATIONS, 2014

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 face value ₹ 2 each as adjusted for any changes in the capital structure of the Company.

The position of the existing scheme is summarized as under -

Sl. No	Particulars	Details
1	Date of Shareholders' 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. 46 of Standalone Financial statements. The scheme is administered by the Compensation Committee and no Trust has been created for this purpose.

B. SAR Movement during the financial year 2020-21

Sl. No	Particulars	Details
1	SARs outstanding at the beginning of the year	66,75,900
2	Number of SARs granted during the year	-
3	SARs Forfeited / Lapsed during the year	21,82,800
4	SARs Vested during the year	45,81,650
5	SARs Exercised / Settled during the year	6,06,800
6	SARs outstanding at the end of the year	38,86,300
7	SARs exercisable at the end of the year	38,86,300

C. Employee-wise details of SARs granted during the financial year 2020-21 to:

(a)	Senior managerial personnel	Nil
(b)	Employees who were granted, during any one year, SARs amounting to 5% or more of the SARs granted during the year	
(c)	Identified employees who were granted SARs, during any one year equal to FY 2020-21 or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant	

ANNEXURE C

POLICY ON APPOINTMENT OF DIRECTORS AND REMUNERATION FOR THE DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

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 behaviour 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 longtime 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

The 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 the Board, its committees and Individual Directors including the Independent Directors.

The performance evaluation criteria is determined by the Committee taking into consideration the following parameters –

a. Participation and contribution at Board / Committee meetings

b. Commitment, including guidance provided to management outside of Board / Committee meetings

c. Exercise of objective independent judgment

d. Ability to contribute to and monitor corporate governance practices

Based on the feedback and comments 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. The performance evaluation of Chairman was also carried out by the Independent Directors at their separate meeting, considering the views of other Executive and Non-Executive directors.

ANNEXURE E

PARTICULARS PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 AND THE RELEVANT RULES

Note:

1. The Company, for FY 2020-21, has considered remuneration for Independent Directors on accrual basis including Sitting fees paid and Commission entitled. The Company has considered Gross Salary including fixed pay, variable pay, perquisites and incentives computed as per provisions of Income Tax Act, 1961 as Remuneration for other Directors, Key Managerial Personnel and other Employees.
2. Median Remuneration is computed on Cost to Company (CTC) basis.

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	**8.8**
Mr. V. S. Hariharan	Non-Executive Independent Director	**6.4**
Mr. Keith WF Bradley	Non-Executive Independent Director	**6.3**
Mr. B. Ramaratnam	Non-Executive Independent Director	**6.7**
Ms. Anita P Belani	Non-Executive Independent Director	**6.2**
Mr. S. V. Krishnan	Whole Time Director and Chief Financial Officer	**26.5**

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:

Name of Director	Designation	YOY %
Prof J. Ramachandran	Chairman, Non-Executive Independent Director	**13.1**
Mr. V. S. Hariharan	Non-Executive Independent Director	**16.5**
Mr. Keith WF Bradley	Non-Executive Independent Director	**25.4**
Mr. B. Ramaratnam	Non-Executive Independent Director	**20.0**
Ms. Anita P Belani	Non-Executive Independent Director	**24.8**
Mr. S. V. Krishnan*	Whole Time Director and Chief Financial Officer	**78.2**
Mr. Ramesh Natarajan#	Chief Executive Officer – India Distribution business	**65.9**
Mr. M. Muthukumarasamy	Company Secretary	**47.3**

*Mr. S V Krishnan, Chief Financial Officer was elevated as Whole Time Director and Chief Financial Officer with effect from May 22, 2019. His remuneration during FY 2019-20 and FY 2020-21 are considered for above comparison.

#Mr. Ramesh Natarajan, Joint Chief Operating Officer was promoted and designated as Chief Executive Officer – India Distribution business at the Board meeting held on June 11, 2020 with immediate effect. His remuneration during FY 2019-20 and FY 2020-21 are considered for above comparison.

Note:

Mr. Raj Shankar, Vice-Chairman and Managing Director of the Company is being paid remuneration from an 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: **1.00%**

D. Number of permanent employees on the rolls of Company as on March 31, 2021: **1,545**

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 (on basis of Cost to Company) other than the Key Managerial Personnel in the last financial year i.e. 2020-21 was 0.60%. Change in managerial remuneration (Whole Time Director and other Key Managerial Personnel) 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, 2021 in terms of remuneration drawn during FY 2020-21:

Name of the Employee	Mr. Parthasarthi Neogi	Mr. S.V. Krishnan	Mr. Ramesh Natarajan	Mr. Gurbir Singh Bhatia	Mr. J. K. Senapati
Designation	Chief of Staff	Whole Time Director and Chief Financial Officer	Chief Executive Officer – India Distribution Business	Chief Information Officer	Chief Operating Officer
Remuneration	₹ 1,40,03,870	₹ 1,34,78,570	₹ 1,40,96,200	₹ 1,37,23,618	₹ 1,17,25,390
Nature of employment	Permanent	Permanent	Permanent	Permanent	Permanent
Qualification	Bachelor of Engineering	Chartered Accountant, Cost Accountant and Company Secretary	Bachelor of Commerce	B.E, SMP, PMP, Data Sciences & Analytics	Master of Business Administration
Experience with the Company	21 Years	22 Years 10 Months	23 Years 7 Months	3 years 4 Months	22 years 9 Months
Date of Joining	April 1, 2000	May 18, 1998	August 21, 1997	November 15, 2017	June 15, 1998
Age	63	47	52	50	55
Last Employment	Ekman India Private Limited	Ashok Leyland Limited	Pertech Computers Limited	CMA CGM Shared Service Centre India Pvt. Ltd.	Sinar Mas (India) Private Limited
No. of shares as on March 31, 2021	3,569	50,408	Nil	8,337	Nil
Relation to Board of Directors	Nil	Nil	Nil	Nil	Nil

Name of the Employee	Mr. R. Venkatesh	Mr. Gautam Hukku	Mr. Vishal Goyal	Mr. Jabez Selwyn P	Mr. Sundar Rajan G
Designation	President	President	Senior General Manager	Senior Vice-President	Vice-President
Remuneration	₹ 1,10,83,297	₹ 96,71,361	₹ 76,25,846	₹ 79,00,383	₹ 65,84,553
Nature of employment	Permanent	Permanent	Permanent	Permanent	Permanent
Qualification	Bachelor of Science	Master of Business Administration	BE (Electronics), MA In Economics PGDBA Marketing	Bachelor of Engineering, PGCHRM	Master Of Social Work (HR)
Experience with the Company	20 Years 5 Months	17 Years 1 Month	5 Years 9 Months	16 Years 2 Months	3 Years
Date of Joining	October 27, 2000	February 17, 2004	June 22, 2015	January 27, 2005	March 14, 2018
Age	44	55	46	49	49
Last Employment	Nebula Technologies Private Limited	Tech Pacific India Limited	MTS - Sistema Shyam Teleservices Ltd	Ingram Micro	CMA CGM Shared Service Center India Ltd.
No. of shares as on March 31, 2021	3,440	3,000	2,131	Nil	Nil
Relation to Board of Directors	Nil	Nil	Nil	Nil	Nil

Note: During year under review, except employees disclosed above, none of the employees were employed throughout the year and also in receipt of remuneration of ₹ 1.02 Crores or more in aggregate.

Details of employees who were employed for a part of the financial year and were in receipt of remuneration for any part of this year, at a rate which, in the aggregate, was ₹ 8.5 Lacs or more per month in aggregate:

Name of the Employee	Mr. Murtuza K Tambawala
Designation	Executive Vice President
Remuneration	₹ 56,82,152
Nature of employment	Permanent
Qualification	B.E, M.Sc., EGMP
Experience with the Company	5 Years 11 Months
Date of Joining	November 2, 2015
Age	41
Last Employment	Kanlife Asia, Singapore
Relation to Board of Directors	Nil

ANNEXURE F

REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

1. Brief outline on CSR Policy of the Company

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, profits will follow". In line with the same, it strives to create value by promoting employability, skill development, health and wellness.

The CSR policy of your Company lays down the approach and direction including guiding principles for the Company to select, implement and monitor various Corporate Social Responsibility (CSR) initiatives and activities that ensures sustainable development of the community with in which it exists, and also for formulation of annual action plans.

The CSR activities of the Company are implemented through "Foundation for CSR @ Redington" (Foundation), a trust formed by the Company to see the vision transforming into a reality. The details about the Foundation can be accessed at http://www.redingtonfoundation.org/

2. Composition of CSR Committee

Sl. No	Particulars	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. V. S. Hariharan	Independent Director	3	3
2	Mr. B. Ramaratnam	Independent Director	3	3
3	Mr. Keith WF Bradley	Independent Director	3	3
4	Ms. Anita P Belani	Independent Director	3	2

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company

The CSR Committee composition, CSR policy and the details of the projects undertaken by the Company can be accessed from the following links respectively:

https://redingtongroup.com/india/corporate-governance/

https://redingtongroup.com/wp-content/uploads/2018/12/CSR-policy.pdf

https://redingtongroup.com/india/csr/

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).

The average CSR obligation of the Company in the three immediately preceding financial years is not exceeding ₹ 10 crores in accordance with Rule 8 of Companies (Corporate Social responsibility Policy) Rules, 2014. At present, this requirement is not applicable for the Company mandatorily.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sl. No	Financial Year	Amount available for set-off from the preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
		Nil	

6. Average net profit of the company as per section 135(5) : ₹ 363.02 crores

7. (a) Two percent of average net profit of the company as per section 135(5) : ₹ 7.26 crores
   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years : ₹ 0.15 crores
   (c) Amount required to be set off for the financial year, if any : Nil
   (d) Total CSR obligation for the financial year (7a+7b-7c) : ₹ 7.41 crores

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (₹/ Crore)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Total Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount (₹/ Crore)	Date of transfer	Name of Fund	Amount	Date of transfer
3.61	3.80	April 30, 2021	Not Applicable	756.39	Not Applicable

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (₹/ Crore	Amount spent in the current financial Year (₹/ Crore)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹/ Crore)	Mode of Implem entation - Direct (Yes/No)	Mode of Implem entation - Through Implementing Agency	
				State	District						Name	CSR Registration number
1.	Excellence – HP WoW	Promoting Education	Yes	Tamil Nadu	Trichy	4 Years	1.50	0.01	0.60	No	Foundation for CSR @ Redington	CSR00002387
2.	Healthcare – Telemedicine	Promoting healthcare including preventive health care	No	Tamil Nadu	Tiruvanna malai	4 Years	0.55	0.06	0.50			
3.	Reach – Early Intervention	Enhancing vocational skills of Differently abled	No	Tamil Nadu	Cuddalore	4 Years	1.20	0.37	0.60			
4.	Reach – Vocational Training	Promoting Special Education and employment enhancing vocation skills	No	Tamil Nadu	Dindigul	4 Years	1.10	0.13	0.90			
5.	READ – Hotspot	Promoting Education & employment enhancing skills	Yes	Tamil Nadu	Tuticorin, Sivagangai, Thanjavur, Tirunelveli, Virudhuna gar, Thirupathur, Kanchipura m, Karur	4 Years	3.60	0.57	1.20			
	100.00							**1.14**	**3.80**			

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
				Location of the project				Mode of Implementation - Through Implementing Agency	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	State	District	Amount spent for the project (₹/ Crore)	Mode of Implementation - Direct (Yes/No)	Name	CSR Registration number
1.	Excellence (Includes Project Sahyog)	Promoting Education	Yes	Tamil Nadu	Madurai, Coimbatore, Tirunelveli, Madurai, Trichy, Thanjavur, Chennai, Kanchipuram, Tiruvallur, Theni, Sivagangai, Virudhunagar, Tenkasi, Vellore, Erode, Namakkaly	0.81	No	Foundation for CSR @ Redington	CSR00002387
2.	READ	Promoting Education & employment enhancing vocation skills	Yes	Tamil Nadu	Chennai, Thanjavur, Thiruvarur, Salem, Erode, Madurai, Dindigul, Tirunelveli, Tenkasi	0.43			
3.	Health Care	Promoting healthcare including preventive health care	Yes	Tamil Nadu	Tirunelveli, Coimbatore	0.34			
4.	Reach	Promoting Special Education and employment enhancing vocation skills	Yes	Tamil Nadu New Delhi	Chennai, Madurai, Thanjavur, Tirunelveli NA	0.41			
5.	Karuna	Eradicating hunger, promoting health care	Yes	Tamil Nadu	Thanjavur, Tirunelveli, Madurai, Coimbatore, Chennai	0.31			
	Total					**2.30**			

(d)	Amount spent in Administrative Overheads	:	₹ 0.17 crores
(e)	Amount spent on Impact Assessment, if applicable	:	Not Applicable
(f)	Total amount spent for the Financial Year (8b+8c+8d+8e)	:	₹ 3.61 crores
(g)	Excess amount for set off, if any	:	Nil

Sl. No	Particulars	Amount
(i)	Two percent of average net profit of the company as per section 135(5)	
(ii)	Total amount spent for the Financial Year	
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Not applicable
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund (in ₹)	Amount (in ₹)	Date of transfer	
				Not applicable			

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Nil

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed / Ongoing
				Not applicable				

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year:

Sl. No.	Date of creation or acquisition of the capital asset(s)	Amount of CSR spent for creation or acquisition of capital asset (₹ in Crores)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)
1	27-06-2020, 21-10 2020, 30-11-2020, 25-03-2021, 30-03-2021	0.33	Foundation for CSR @ Redington The assets are held at its various offices at Chennai Thanjavur, Tirupattur, Kanchipuram, Karur, Madurai, Tuticorin Tirunelveli, Dindigul, Sivasailam, Tenkasi, Chidambaram, Tiruvannamalai, Tenkasi Tirupur, Coimbatore, Salem etc.	Data Processing Equipment – Laptops, Desktop Computers, Smart Interactive Panels
2	10-07-2020, 31-12-2020, 13-03-2021, 25-03-2021, 31-03-2021	0.04		Equipments – Printer, Inverter, Accessories for Digital Studio etc.
3	31-08-2020	0.001		Furniture & Fixtures
4	06-01-2021, 24-02-2021, 08-03-2021,17-03-2021	0.06		Leasehold Improvements
5	05-08-2020, 31-12-2020, 23-03-2021, 30-03-2021, 31-03-2021	0.01		Plant & Machinery – Fans / Airconditioners
6	31-08-2020, 22-10-2020, 22-01-2021, 10-02-2021	0.52		Vehicle – Early Intervention bus
7	27-06-2020, 21-10-2020, 30-11-2020	0.007	AG Arts & Science College, Tirupur	Data Processing Equipment – Laptops, Desktop Computers
8	27-06-2020, 21-10-2020, 30-11-2020, 30-03-2021	0.19	APC Mahalaxmi College, Tuticorin	Data Processing Equipment – Laptops, Desktop Computers
9	25-03-2021	0.006	APC Special School, Tuticorin	Data Processing Equipment – Laptops, Desktop Computers,
10	30-11-2020, 30-03-2021	0.19	ChellamalWomens College, Chennai	Data Processing Equipment – Laptops, Desktop Computers

Sl. No.	Date of creation or acquisition of the capital asset(s)	Amount of CSR spent for creation or acquisition of capital asset (₹ in Crores)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)
11	25-03-2021	0.006	G.V.Pillai School, Chidambaram	Data Processing Equipment – Laptops, Desktop Computers
12	30-03-2021	0.18	Madurai Sivakasai Nadar College, Sivagangai	Data Processing Equipment – Laptops, Desktop Computers
13	30-03-2021	0.18	Nalli Kuppusamy College, Thanjavur	Data Processing Equipment – Laptops, Desktop Computers
14	30-11-2020, 30-03-2021	0.18	Rani Anna College, Tirunelveli	Data Processing Equipment – Laptops, Desktop Computers
15	30-03-2021	0.18	S.R.Naidu College, Virudhunagar	Data Processing Equipment – Laptops, Desktop Computers
16	30-03-2021	0.18	Sacred Heart College, Tirupattur	Data Processing Equipment – Laptops, Desktop Computers
17	30-03-2021	0.18	Sarada Arts & Science College, Tirunelveli	Data Processing Equipment – Laptops, Desktop Computers
18	30-03-2021	0.18	SaradaNiketan College, Karur	Data Processing Equipment – Laptops, Desktop Computers
19	30-03-2021	0.18	Sri Sankara College, Kanchipuram	Data Processing Equipment – Laptops, Desktop Computers

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5)

Due to COVID-19 pandemic situation, some beneficiaries were not operating and were not accessible therefore, your Company was unable to spend the entire CSR amount. Your Company has earmarked projects which are active (as listed in 8 (b) above) and will make efforts to spend the unspent amount on these projects. This unspent amount has been already transferred to the dedicated Unspent CSR Bank account.

The Company confirms that implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the Company.

Mr. Raj Shankar
Vice-Chairman and Managing Director
DIN: 00238790

Mr. V S Hariharan
Chairman - CSR Committee
DIN: 05352003

ANNEXURE G

SECRETARIAL AUDIT REPORT

for the Financial Year Ended on 31st March 2021
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Redington (India) Limited,
Centre Point, Plot No. 11 (SP)
Thiru. Vi. Ka. Industrial Estate,
Guindy, Chennai 600 032.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Redington (India) Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Redington (India) Limited'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 our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2021 complied with the statutory provisions listed except as specified otherwise, hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent except as specified otherwise, in the manner and subject to the reporting made 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 2021 according to the provisions of –

i. The Companies Act, 2013 (the Act) and the Rules made thereunder

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent applicable to Foreign Direct Investment, Overseas Direct Investment;

v. The following Regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

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 (Issue of Capital & Disclosure Requirements) Regulations, 2018 - Not applicable to the Company during the audit period ;

d) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014;

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - Not applicable to the Company during the audit period ;

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client;

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not applicable to the Company during the audit period;

h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 - Not applicable to the Company during the audit period; and

i) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015;

vi. As per the information and explanation provided to us, there are no sector specific Acts or Regulations applicable to the Company.

I have also examined compliance with applicable clauses of Secretarial Standards issued by the Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs.

I further report that, the compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts have not been reviewed in this audit since the same have been subject to review by the statutory financial auditors, tax auditors, and other designated professionals.

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 of Directors that took place during the period under review were carried out incompliance 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 7 days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All decisions at Board Meeting and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or 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 applicable laws, rules, regulations and guidelines.

  During the period under review it has been observed that,

1. The company had paid a penalty of Rs. 56,000/- during the year arising out of a compounding application filed with the Reserve Bank of India for contravention of provisions of Foreign Exchange Management Act, 1999 relating to setting up of step down subsidiary in India.
2. Company has allotted 1,31,522 Equity shares, pursuant to provision of Companies Act 2013 and Rules framed thereunder, to employees who have exercised their rights under Redington Stock Appreciation Rights Scheme 2017. The scheme was designed to provide equity based incentives to key employees of the Company & its Subsidiaries.
3. In respect of an appeal filed by the Income Tax department on order passed by the Tribunal on Income Tax assessment proceedings initiated in respect of FY 2008-2009, orders were pronounced by the Hon'ble High Court of Madras. The appeal was allowed in favour of the Income Tax Department resulting in a demand on the company to the tune of Rs. 140.29 Crores excluding interest and penalty.

   Pursuant to the order, the Company had comprehensively evaluated its compliances under the Income Tax Act including the status of pending litigations and made applications under the Vivad Se Vishwas scheme.

   Under the said scheme, the company paid a demand of Rs.76.30 crores, out of which the company has received full and final settlement orders in respect of demandsto the tune of Rs.73.48 crore. Balance orders are awaited.

   "I have conducted online verification & examination of records as facilitated by the Company due to Covid 19 and subsequent lockdown situation for the purpose of issuing this report/ certification/documents"

For R Bhuvana and Associates

R. Bhuvana
Practicing Company Secretary
Membership No. F10575
Certificate of Practice No. 8161
PR No: 1082/2021
UDIN: F010575C000379053

Date: 27.05.2021
Place: Chennai

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

To,
The Members,
Redington (India) Limited

Our Report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our 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 our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever 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. Our 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.

For R Bhuvana and Associates

R. Bhuvana
Practicing Company Secretary
Membership No. F10575
Certificate of Practice No. 8161
PR No: 1082/2021
UDIN: F010575C000379053

Place: Chennai
Date: 27.05.2021

ANNEXURE H

SUMMARY OF 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. 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 2020-21.

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 others.

On behalf of the Board of Directors

Place: Bengaluru
Date: May 27, 2021

J. Ramachandran
Chairman

ANNEXURE J

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 SEBI (LODR) 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 may be.

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.

Report on Corporate Governance

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The governance structure at Redington promotes principled actions and objective decision-making guided by appropriate monitoring of both compliance and performance. The long-term goals and interests of the Company are closely inter-woven with stakeholders' interest. The Company embraces adherence to the highest standards of ethics, integrity and transparency, thereby ensuring accountability to its stakeholders.

The philosophy of Corporate Governance at Redington is embedded in its rich legacy of good governance practices. It is a reflection of the Company's policies, procedures and relationship with its stakeholders, commitment to its value system and ethical business practices. The Company has implemented a robust system to ensure a high level of Board oversight, effective internal control systems and an efficient, all-encompassing audit mechanism. Timely, transparent & accurate disclosure of financial position and performance of the Company forms the cornerstone of Redington's Corporate Governance philosophy.

Effective corporate governance requires a clear and thorough understanding of the distinct roles of the Board, its Committees and the Senior Management Team. Through well-defined policies and processes and in a manner which is dignified, distinctive & responsible, the Company conducts its business and discharges its responsibilities towards its stakeholders.

This report sets out the Company's Corporate Governance processes and activities for the financial year 2020-21 with reference to the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [hereinafter referred as "SEBI (LODR) Regulations, 2015"]

BOARD OF DIRECTORS

The Board composition has been framed in compliance with the requirements of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

Category	Name of the Directors	DIN
Non-Executive Independent Directors	Prof. J. Ramachandran	00004593
	Mr. B. Ramaratnam	07525213
	Mr. V.S. Hariharan	05352003
	Mr. Keith WF Bradley	06564581
	Ms. Anita P Belani	01532511
Non-Executive Nominee Directors	Mr. Tu, Shu-Chyuan$	02336015
	Ms. Chen, Yi-Ju$	08031113
	Mr. Udai Dhawan^	03048040
Executive Directors	Mr. Raj Shankar	00238790
	Mr. S.V. Krishnan	07518349

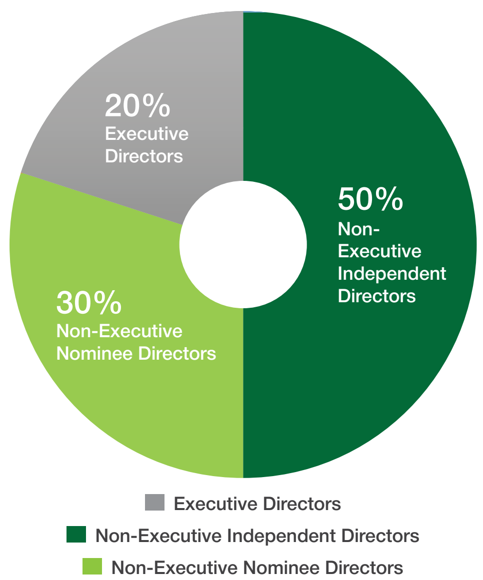
Mr. Rajiv Srivastava was appointed as Additional Director and Joint Managing Director effective April 2, 2021 subject to the approval of shareholders.

$ Represent Synnex Mauritius Limited, shareholder of the Company

^ Represent Affirma Capital (Singapore) Pte Limited, shareholder of the Company

Note: There is no inter-se relationship between the Directors of the Company.

Board Composition



Total strength of the Board as on March 31, 2021 is ten (10) out of which eight (8) Directors are Non-Executive Directors. The Chairperson of the Board is a Non-Executive Independent Director and together with four (4) other Independent Directors they constitute one half of the total strength of the Board.

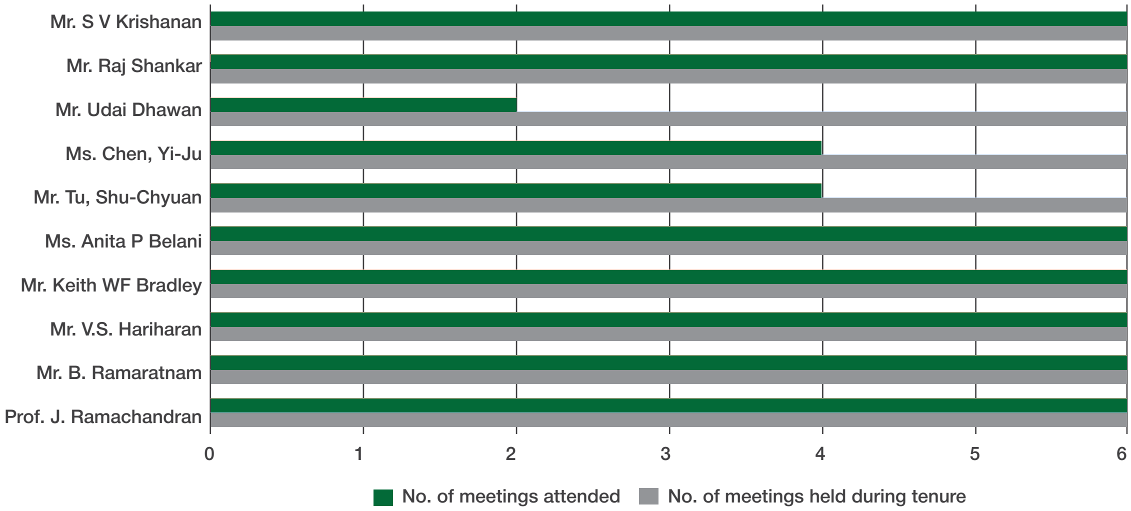
INDEPENDENCE OF DIRECTORS

Considering the requirement of skills on the Board, the Nomination and Remuneration Committee considers eminent persons having independent standing in industry expertise and those who can effectively contribute to the business and policy decisions of the Company. The Independent Directors, at the first meeting of the Board in which they participate, and thereafter at the first meeting of the Board in every financial year, give a declaration that they meet the criteria of independence stipulated in SEBI (LODR) Regulations, 2015 and the Companies Act, 2013 ("Act") and the rules framed thereunder. The Company has received necessary declaration from Independent Directors that they fulfill the "independence" criteria. In the opinion of the Board, the Independent Directors fulfill the conditions specified in Companies Act, 2013 and SEBI (LODR) Regulations, 2015and are independent of the management.

MEETINGS OF BOARD OF DIRECTORS

During the Financial Year 2020-21, six (6) Board Meetings were held on June 11, 2020, July 30, 2020, August 13, 2020, November 12, 2020, December 16, 2020 and February 08, 2021. The maximum time gap between any two meetings was less than 120 days, except that the time gap between the Board Meetings held in February 2020 and in June 2020 exceeds 120 days, and the same is in compliance with the circulars issued by the Ministry of Corporate Affairs, pursuant to the then prevailing COVID-19 conditions. Necessary quorum was present throughout all the meetings. One separate meeting of the independent Directors of the Company was held on February 6, 2021.

Meetings of Board and Attendance of Directors



FAMILIARIZATION PROGRAMS FOR BOARD OF DIRECTORS

The Directors, at the time of their appointment, are provided with the orientation on the Company's organization structure, business model, vision and values, and internal policies to enable them to familiarize themselves with the Company's procedures and practices. The new Directors are apprised on the Company's strategies and policies that assist them in developing the skills and expertise required for their service on the Board.

Periodic presentations are made to the Board on the business and performance updates of the Company, entailing business environment, risk management strategies, company policies and procedures, subsidiary performance and changes in regulatory environment applicable to the Company and the industry in which the Company operates, and such other relevant issues. 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).

BRIEF PROFILE OF BOARD OF DIRECTORS

Prof. J. Ramachandran
Chairman and Non-Executive Independent Director

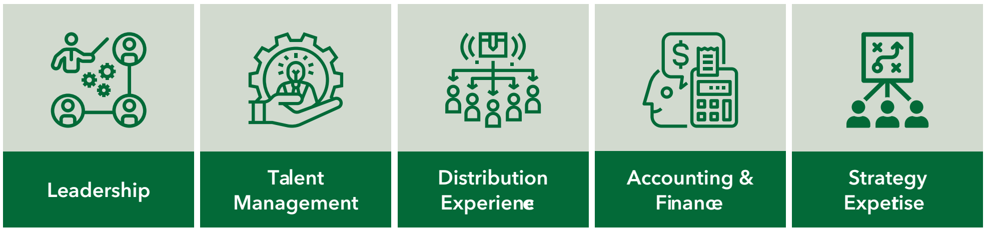
Nationality	Indian
Age	63 years
Date of (original) appointment	November 21, 2006 (Designated as Independent Director under Companies Act 2013 with effect from August 01, 2014 and re-appointed for the second term with effect from August 01, 2019).
Tenure on Board	14.4 years
Profile	Professor Ramachandran is a qualified Chartered and Cost Accountant, and a Fellow of the Indian Institute of Management Ahmedabad. He is a Professor of Strategy at the Indian Institute of Management Bangalore. His research focuses on the growth and governance challenges of firms. His work has been published in leading international journals including the Harvard Business Review, Strategic Management Journal, Organization Science, Journal of International Business Studies and Global Strategy Journal.
Shareholding	5000 shares

Board Membership/ Chairmanship – Indian Public Companies

Name of the Indian Public Company	Board Membership/ Chairmanship	Category of Directorship
ProConnect Supply Chain Solutions Limited	Member on the Board	Independent Director

Committee Membership/ Chairmanship – Indian Public Companies	Nil

Areas of Expertise



Attendance at AGM held	Present

Mr. B. Ramaratnam

Non-Executive Independent Director and Chairman of Audit Committee and Stakeholders' Relationship Committee

Nationality	Indian
Age	66 years
Date of (original) appointment	May 24, 2016
Tenure on Board	4.85 years
Profile	Mr. Ramaratnam graduated from the University of Mumbai and after qualifying as a Chartered Accountant joined Price Water house Coopers at Chennai and later joined AF Ferguson & Co and Deloitte Haskins & Sells where he was an Audit Partner till March 2015. During the course of his long career, Mr. Ramaratnam has serviced national and multinational clients from diverse sectors such as manufacturing, trading, software, timeshare, real estate, financial services, pharma, engineering, construction, services etc. He is also an Independent Director at Cholamandalam Financial Holdings Limited.
Shareholding	NIL

Board Membership/ Chairmanship – Indian Public Companies

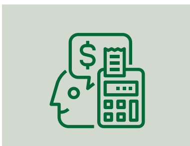
Name of the Indian Public Company	Board Membership/ Chairmanship	Category of Directorship
Cholamandalam Financial Holdings Limited*	Member on the Board	Independent Director

Committee Membership/ Chairmanship – Indian Public Companies

Name of the Indian Public Company	Board Membership/ Chairmanship	Category of Directorship
Cholamandalam Financial Holdings Limited	Audit Committee	Chairman
	Stakeholders' Relationship Committee	Member

Areas of Expertise

Leadership



Accounting & Finance

Attendance at AGM held	Present

*Listed Indian Public Company

Mr. V.S. Hariharan

Non-Executive Independent Director and Chairman of Nomination & Remuneration Committee, Corporate Social Responsibility Committee and SAR Share Allotment Committee

Nationality	Singapore
Age	59 years
Date of (original) appointment	August 02, 2013 (Designated as Independent Director under Companies Act 2013 with effect from August 01, 2014 and re-appointed for the second term with effect from August 01, 2019)
Tenure on Board	7.8 Years
Profile	Mr. Hariharan is a graduate of IIT-Madras and an MBA from IIM-Bangalore. He has 25+ years of Sales, Marketing, and General Management experience across Global, Regional & Country level roles in the Information Technology Industry. Mr. Hariharan held a number of positions as Vice President leading different businesses ranging from worldwide laser business, Asia Pac Sales and field operations, Asia Pac Graphic Solutions Business. He is the Co-founder and CEO of Third Wave Power Pte Ltd – a Global business based on Solar Portable Solutions and is based out of Singapore.
Shareholding	Nil

Board Membership/ Chairmanship – Indian Public Companies

Name of the Indian Public Company	Board Membership/ Chairmanship	Category of Directorship
Rex-Tone Industries Limited	Member on the Board	Non-Executive Director

Committee Membership/ Chairmanship – Indian Public Companies	Nil

Areas of Expertise

Attendance at AGM held	Present

Mr. Keith WF Bradley	
Non-Executive Independent Director and Chairman of Risk Management Committee	
Nationality	United States of America
Age	57 years
Date of (original appointment	April 1, 2013 (Designated as Independent Director under Companies Act 2013 with effect from August 01, 2014 and re-appointed for the second term with effect from August 01, 2019)
Tenure on Board	8 Years
Profile	Mr. Keith is a Chartered Accountant from the United Kingdom with Masters of Accounting from the Queen's University of Belfast. He served as the Senior Executive Vice President and President of Ingram Micro North America and played a vital role in developing strategies for the region. Mr. Keith 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.
Shareholding	Nil
Board Membership/ Chairmanship – Indian Public Companies	Nil
Committee Membership/ Chairmanship – Indian Public Companies	Nil
Areas of Expertise	
Attendance at AGM held	Present

Ms. Anita P Belani
Non-Executive Independent Director

Nationality	Indian
Age	57 years
Date of (original) appointment	April 1, 2019
Tenure on Board	2 Years
Profile	Ms. Anita Belani is an M.B.A. from XLRI, Jamshedpur and B.A. (Hons) in Economics from Miranda House, University of Delhi. Ms. Belani is a seasoned professional with 30 plus years of rich post MBA experience as a senior business & human capital leader. Till recently, she was the Operating Partner at Gaja Capital and is a director on the board of Eternis Fine Chemicals, Foseco India Limited, IDFC asset management Company Limited, IDFC Financial Holding Company Limited. She has previously held director positions on the boards of Wanbury Ltd, Laxmi organic industries Ltd., SV Edusports, Eurokids International etc.
Shareholding	Nil

Board Membership/ Chairmanship – Indian Public Companies

Name of the Indian Public Company	Board Membership/ Chairmanship	Category of Directorship
Foseco India Limited*	Member	Independent Director
Eternis Fine Chemicals Limited	Member	Non-Executive Director
IDFC Financial Holding Company Limited	Member	Independent Director
IDFC Asset Management Company Limited	Member	Independent Director

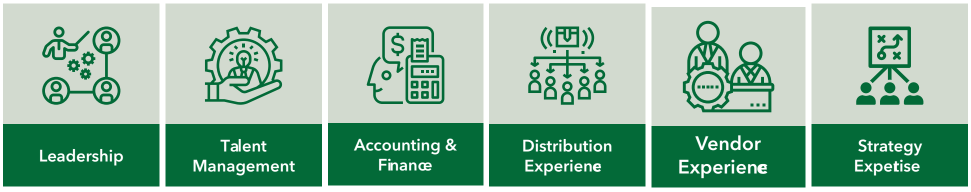
Committee Membership/ Chairmanship – Indian Public Companies

Name of the Indian Public Company	Board Membership/ Chairmanship	Committee Membership / Chairmanship
Foseco India Limited*	Audit Committee	Member
	Stakeholders' Relationship Committee	Member
Eternis Fine Chemicals Limited	Audit Committee	Member
IDFC Financial Holding Company Limited	Audit & Risk Committee	Member
IDFC Asset Management Company Limited	Audit & Risk Management Committee	Member

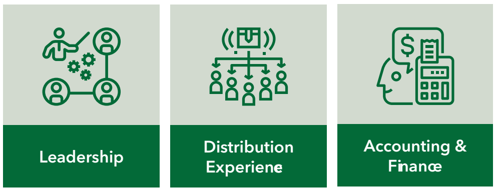
Areas of Expertise

Attendance at AGM held	Present

*Listed Indian Public Company

Mr. Tu, Shu-Chyuan **Non-Executive Nominee Director**	
Nationality	Taiwan
Age	63 years
Date of (original) appointment	October 24, 2008
Tenure on Board	12.5 Years
Profile	Mr. Tu is an engineering graduate from the National Chiao Tung University, Taiwan, and has a Master's degree in Computer Engineering from San Jose State University, USA. He is currently the VP of business development of Synnex. Prior to joining Synnex, he worked for various computer networking companies in the State and had focused expertise in planning and management. He has an overall 37+ years of working experience in the global IT industry. He joined Synnex in 1994 and held a series of management positions.
Shareholding	Nil
Board Membership/Chairmanship – Indian Public Companies	Nil
Committee Membership/ Chairmanship – Indian Public Companies	Nil
Areas of Expertise	
Attendance at AGM held	Present

Ms. Chen, Yi-Ju
Non-Executive Nominee Director

Nationality	Taiwan
Age	48 years
Date of (original) appointment	December 26, 2017
Tenure on Board	3.3 years
Profile	Ms. Chen is an Agri-Economics graduate from National Taiwan University, with major in International 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 technology and Lite-on Group. She has over 20+ years of working experience in Financial Investment and IT industry with solid experience in Corporate Finance.
Shareholding	Nil
Board Membership/Chairmanship – Indian Public Companies	Nil
Committee Membership/ Chairmanship – Indian Public Companies	Nil
Areas of Expertise	
Attendance at AGM held	Absent

Mr. Udai Dhawan
Non-Executive Nominee Director

Nationality	Indian
Age	48 years
Date of (original) appointment	January 10, 2017
Tenure on Board	4.2 years
Profile	Mr. Udai Dhawan has an MBA with a major in finance from the Wharton School, University of Pennsylvania and is also a Chartered Accountant from the Institute of Chartered Accountants of India. Mr. Dhawan is a Founding Partner and Head of India Private Equity at Affirma Capital. Mr. Dhawan has over 24+ years of financial services experience and represents Affirma Capital on the boards of several portfolio companies. Prior to Affirma Capital, Mr. Dhawan has served as the Managing Director and Head of India for Standard Chartered Private Equity (SCPE).
Shareholding	Nil

Board Membership/ Chairmanship – Indian Public Companies

Name of the Indian Public Company	Board Membership/ Chairmanship	Category of Directorship
Prime Focus Limited*	Member	Non-Executive Director
Tirupati Medicare Limited	Member	Non-Executive Nominee Director
Craftsman Automation Limited*	Member	Non-Executive Nominee Director

Committee Membership/ Chairmanship – Indian Public Companies

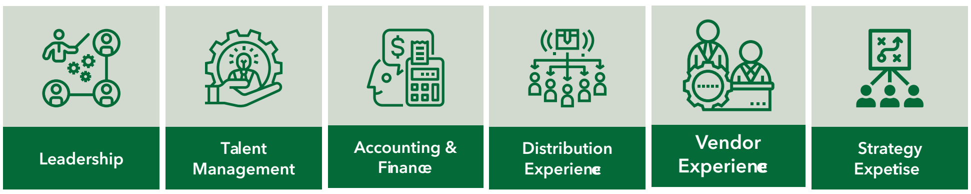
Name of the Indian Public Company	Board Membership/ Chairmanship	Committee Membership / Chairmanship
Craftsman Automation Limited	Audit Committee	Member

Areas of Expertise

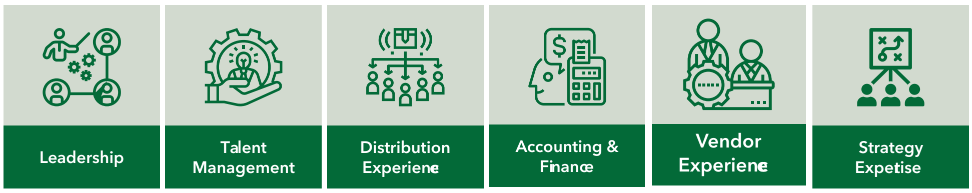
Attendance at AGM held Present

*Listed Indian Public Company

Mr. Raj Shankar
Vice Chairman & Managing Director

Nationality	Singapore
Age	62 years
Date of (original) appointment	September 22, 2005
Tenure on Board	15.6 years
Profile	During his two decades plus tenure with Redington, Raj Shankar has been one of the key architects of the Company's phenomenal transformation from a single-product, single-country organization, to the $ 7.7 Billion Emerging Market multinational behemoth it is today. Raj Shankar conceptualized and operationalized Redington's expansion into the diverse markets of Middle East, Turkey, Africa and South Asia regions. He authored the strategy that has served as the bedrock of Redington's immense success in the META region. His remarkable success in rapidly scaling the business from scratch and quickly catapulting the Company to an unassailable leadership position in META region has been instrumental towards Redington's stature as one of the foremost Distributor of Technology & Mobility products & solutions globally. In 2014, Raj Shankar was assigned the overall responsibility of Redington worldwide as its Group Managing Director and since then, has driven the Company's transition to a future-ready, services and solutions oriented, digital Organization. In April 2021, Raj Shankar was elevated to the position of Vice-Chairman & Managing Director of Redington Group. He also continues to discharge the responsibilities as the Chairman of Redington Gulf FZE and Arena Bilgisayar. His pre-Redington professional experience includes tenures with leading companies in the textile and pharmaceutical sectors, working in India as well as in International markets. Raj Shankar is an alumni of BITS, Pilani.
Shareholding	5,94,946 shares
Board Membership/ Chairmanship – Indian Public Companies	Nil
Committee Membership/ Chairmanship – Indian Public Companies	Nil
Areas of Expertise	
Attendance at AGM held	Present

Mr. Rajiv Srivastava
Joint Managing Director

Nationality	Indian
Age	56 years
Date of (original) appointment	April 2, 2021
Tenure on Board	With effect from April 2, 2021
Profile	Mr Rajiv Srivastava has been in leadership roles in the Technology industry in India and overseas for 30+ years. His most recent assignment was as the MD & CEO of Indian Energy Exchange Limited (IEX). Prior to IEX, he was the Chief Operating Officer for Asia Pacific & Japan at Hewlett-Packard (HP), based out of Singapore. He was also a member of the HP's global strategy board. Before taking up the assignment at Singapore, Mr Rajiv Srivastava served as the Managing Director – HP India, for 6 years.
Shareholding	Nil
Board Membership/ Chairmanship – Indian Public Companies	NIl
Committee Membership/ Chairmanship – Indian Public Companies	Nil
Areas of Expertise	
Attendance at AGM held	Present

Mr. S.V. Krishnan
Whole Time Director and Chief Financial Officer

Nationality	Indian
Age	47 years
Date of (original) appointment	May 22, 2019
Tenure on Board	1.10 years
Profile	Mr. Krishnan is the Whole-Time Director and Chief Financial Officer (CFO) of Redington (India) Limited. He is also a Director on the Board of ProConnect Supply Chain Solutions Limited and its subsidiary, Rajprotim Supply Chain Solutions Limited. A Chartered Accountant, Cost Accountant and Company Secretary, he joined Redington back in 1998 and has ever since been part of the Company's growth journey. As the head of finance at Redington, Mr. Krishnan has played an instrumental role during the Company's listing on Indian bourses in 2007. His farsighted financial strategies have enabled the Company to remain nimble and accountable at all times. He also holds the responsibility of investor relations with public/institutional shareholders & analysts at Redington. Prior to joining Redington, he was employed with Ashok Leyland Limited.
Shareholding	50,408 shares

Board Membership/ Chairmanship – Indian Public Companies

Name of the Indian Public Company	Board Membership/ Chairmanship	Category of Directorship
ProConnect Supply Chain Solutions Limited	Member on the Board	Non-Executive Director
Rajprotim Supply Chain Solutions Limited	Member on the Board	Non-Executive Director

Committee Membership/ Chairmanship – Indian Public Companies	Nil

Areas of Expertise

Attendance at AGM held	Present

Notes:

1. None of the Directors are Chairperson in any other Public Company.
2. Memberships/Chairmanships in Audit Committee and Stakeholders' Relationship Committee are only considered for the purpose of details of Committees given above (as per Regulation 26 (1) of SEBI (LODR) Regulations, 2015).
3. None of the Directors of the Company have held memberships in more than ten (10) committees nor are they Chairpersons of more than five (5) committees at any time during the year [as per Regulation 26 (1) of SEBI (LODR) Regulations, 2015].

Committees of the Board

The Company, as on March 31, 2021, has the following committees, namely Audit Committee, Stakeholders' Relationship Committee, Nomination & Remuneration Committee, Corporate Social Responsibility (CSR) Committee, Risk Management Committee, Strategy Committee and SAR 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; other statutory committees meet at least once a year and all other committees meet on need basis. All the matters discussed and the recommendations of the Committee are placed before the Board for its consideration.

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

I. Audit Committee

The primary objective of the Audit Committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure the highest level of transparency, accuracy and integrity in financial reporting. All the members of the Committee are financially literate. The Chief Financial Officer of the Company, Partners/Representatives of the Statutory Auditors and the Internal Auditors are invited to attend the meetings of the Committee. Presentations are made by the statutory auditors and internal auditors on their findings as well as on various regulatory updates. To ensure Committee's effective performance, the Board has laid down the charter of the Audit Committee as given below. It encapsulates the requirements specified under Companies Act, 2013 and SEBI (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:

- Recommending to the Board, the appointment, remuneration and terms of appointment of External Internal auditors;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Reviewing and evaluating the Company's financial controls and risk management systems;
- Overview of the Company's financial reporting process and integrity/disclosure of its financial information;
- Approval of payment to statutory auditors for any other services rendered by them;
- Valuation of undertaking or assets of the Company, wherever it is necessary
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, including with 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;
    e) changes, if any, in the accounting policies and practices and reasons for the same;
- Reviewing with the management, the quarterly/ half yearly financial results and draft limited review report of the statutory auditors before submission to the Board for approval;
- Review by the Committee members, individually or with the management, of the performance of the Internal auditors and adequacy of Internal control system and effectiveness of the Audit process;
- Reviewing the adequacy of internal audit function including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage, and frequency of internal audit;
- Discussion with both External and In-house internal auditors of any significant findings from their internal audit and follow up thereon;
- 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, if any, and reporting the matter to the Board;
- 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;
- Reviewing the functioning of the whistle blower mechanism;

- Recommending the appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- Reviewing with the management, the statement of uses / application of funds raised, if any, through an issue, the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency, if any, monitoring the utilization of proceeds of the issue, and making appropriate recommendations to the Board to take up steps in this matter

The Audit Committee comprises of three Independent Directors namely, Mr. B. Ramaratnam, Prof. J. Ramachandran and Mr. Keith WF Bradley.

Attendance record of Audit Committee:

During FY 2020-21, the Audit Committee met five times – June 10, 2020, July 30, 2020, August 13, 2020, November 11, 2020 and February 08, 2021. The details of attendance of Audit Committee meetings are given below:

Sl. No.	Director Name	Category	Position	Held during Tenure	Total attended
1	Mr. B. Ramaratnam	Independent Director	Chairman	5	5
2	Prof. J. Ramachandran	Independent Director	Member	5	5
3	Mr. Keith WF Bradley	Independent Director	Member	5	5

II. Stakeholders' Relationship Committee:

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

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

- Resolving the grievances of the security holders of the Company including complaints and queries related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- Reviewing of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;

During the Financial Year 2020-21, the Company received two (2) complaints from the shareholders, pertaining to non-receipt of second interim dividend for Financial Year 2019-20. The complaints were resolved promptly to the satisfaction of the shareholders. There are no complaints pending to be resolved at the end of the year. The Company has a dedicated e-mail address: investors@ redington.co.in for shareholders to communicate their grievances.

The Committee consists of three (3) directors namely Mr. B. Ramaratnam, Mr. Udai Dhawan, and Mr. S.V. Krishnan.

Attendance record of Stakeholders' Relationship Committee:

During FY 2020-21, the Stakeholders' Relationship Committee met four times – June 10, 2020, August 13, 2020, November 11, 2020 and February 06, 2021. The details of attendance of Stakeholders' Relationship Committee meetings are given below:

Sl.No.	Director Name	Category	Position	Held during tenure	Total attended
1	Mr. B. Ramaratnam	Independent Director	Chairman	4	4
2	Mr. Udai Dhawan	Non – Executive Nominee Director	Member	4	2
3	Mr. S. V. Krishnan	Whole Time Director and Chief Financial Officer	Member	4	4

Notes:

Mr. M. Muthukumarasamy, Company Secretary is designated as the Compliance Officer as well as Nodal Officer (for IEPF purpose) of the Company.

III. Nomination and Remuneration Committee

The Nomination and Remuneration Committee is entrusted with the responsibility of screening and in the selection process of new directors. The Committee has developed 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 Annexure C).

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 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;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Recommend to the Board, whether to extend or continue the terms of appointment of the independent director, on the basis of performance evaluation
- Formulation of criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- Devising a policy on diversity of board of directors;
- Reviewing and approving the appropriate remuneration to Directors including commission and the Senior Management Team of the Company; Developing policy for Succession planning of Board of Directors and senior management and reviewing it periodically.

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.

The Committee consists of four (4) Directors namely, Mr. V.S. Hariharan, Prof. J. Ramachandran, Ms. Anita P Belani and Mr. Udai Dhawan.

Attendance record of Nomination and Remuneration Committee:

During FY 2020-21, the Nomination and Remuneration Committee met four times – June 10, 2020, August 12, 2020, November 11, 2020 and March 19, 2021. The details of attendance of Nomination and Remuneration Committee meetings are given below:

Sl.No.	Director Name	Category	Position	Held during tenure	Total attended
1	Mr. V. S. Hariharan	Independent Director	Chairman	4	4
2	Prof. J. Ramachandran	Independent Director	Member	4	4
3	Ms. Anita P Belani	Independent Director	Member	4	4
4	Mr. Udai Dhawan	Non - Executive Nominee Director	Member	4	1

Details of remuneration paid/payable to Directors for the financial year ended March 31, 2021

Sl. No.	Name of the Directors	Gross Salary (₹/Lacs)	Commission (₹ /Lacs)#	Sitting Fees (₹/ Lacs)#	Total
1	Prof J. Ramachandran	-	38.00	6.75	**44.75**
2	Mr. V. S. Hariharan	-	28.00	4.50	**32.50**
3	Mr. Keith WF Bradley	-	28.00	4.10	**32.10**
4	Mr. B. Ramaratnam	-	28.00	5.95	**33.95**
5	Ms. Anita P Belani	-	28.00	3.50	**31.50**
6	Mr. S.V. Krishnan	134.79	-	-	**134.79**
	Total	**134.79**	**150.00**	**24.80**	**308.79**

#Exclusive of Goods and Services Tax

Note:

In partial modification of the resolution passed at the Annual General Meeting held on July 30, 2019, the Nomination and Remuneration Committee ("the Committee") revised the salary of Mr. S. V. Krishnan, Whole Time Director and Chief Financial Officer with effect from October 01, 2020 as follows:

Basic Salary	₹ 3,35,417/- per month
Allowances	₹ 3,35,417/- per month

Performance Linked Bonus: As may be approved by the Nomination and Remuneration Committee subject to the maximum of ₹ 34.50 Lakhs per annum. The performance linked bonus is paid on the basis of achievement of performance criteria fixed by the Nomination and Remuneration Committee.

Service contract and notice period are as per the HR policy of the Company. There is no separate provision for payment of severance pay.

Shareholding of Directors of the Company as on March 31, 2021:

Sl. No.	Name of the Directors	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. S.V. Krishnan	Whole Time Director	50,408	0.0130

No stock options or Stock Appreciation Rights were granted during FY 2020-21 to any of the Directors under Redington Stock Appreciation Right Scheme, 2017 respectively.

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:

S. No	Name of Director	No. of Stock Appreciation Rights
1	Mr. Raj Shankar	25,000
2	Mr. S.V. Krishnan	1,26,000

IV. Corporate Social Responsibility Committee

Your Company has constituted a Corporate Social Responsibility (CSR) Committee to review and monitor the CSR policy and the CSR activities undertaken by the Company. Your Company will continue to take measures to make a positive and significant contribution to society. The Company's CSR policy outlines the Company's objectives of catalyzing overall development that ensures improvement in the quality of life for the society by creating positive impact through its CSR activities aimed at environment, communities and stakeholders.

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

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy indicating approach and direction including guiding principles for selection, implementation and monitoring of activities to be undertaken/funded by the Company as well as formulation of the annual action plan and make alterations, from time to time, in compliance with applicable provisions.
- Identification of CSR activities to be undertaken/funded by the Company including one-time projects, ongoing projects etc. along with duration, period-wise fund allocation etc. and any subsequent modifications to it, as and when required.
- Review the Budget allocation, Expenditure incurred, fund disbursed, implementation of projects per approved timelines, utilization statement for one-time and ongoing projects from time to time.

The Committee comprises of Four (4) Independent Directors, namely, Mr. V. S. Hariharan, Mr. Keith WF Bradley, Mr. B. Ramaratnam, and Ms. Anita P Belani.

Attendance record of Corporate Social Responsibility Committee:

During FY 2020-21, the Corporate Social Responsibility Committee met three times – June 10, 2020, August 13, 2020 and February 06, 2021. The details of attendance of Corporate Social Responsibility Committee meetings are given below:

Sl.No.	Director Name	Category	Position	Held during tenure	Total attended
1	Mr. V. S. Hariharan	Independent Director	Chairman	3	3
2	Mr. Keith WF Bradley	Independent Director	Member	3	3
3	Mr. B. Ramaratnam	Independent Director	Member	3	3
4	Ms. Anita P Belani	Independent Director	Member	3	2

V. Risk Management Committee

The Company has formed a risk management committee to frame, implement and monitor the risk management plan for the Company. The purpose of the committee is to assist the Board in fulfilling its responsibilities with regard to identification, evaluation and mitigation of operational and strategic risks. The Risk Management Committee has the overall responsibility of monitoring and approving risk policies and associated practices of the Company.

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

- Review and recommend changes to the Risk Management Policy and / or associated frameworks, processes and practices of the Company, as and when necessary;
- Monitoring risks and risk management capabilities within the Company, including communication about escalating risk and crisis preparedness and recovery plans, at specific intervals and ensure that the Company is taking appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities;
- Evaluating the significant risk exposures of the Company and assess management's plans to mitigate the exposures in a timely manner (including one-off initiatives and ongoing activities such as business continuity planning and disaster recovery planning and testing)
- 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);

The Committee consists of Five (5) Directors namely, Mr. Keith WF Bradley, Mr. V.S. Hariharan, Mr. B. Ramaratnam, Ms. Anita P Belani, and Mr. S.V. Krishnan.

Attendance record of Risk Management Committee:

The Committee met two times during the year on August 12, 2020 and February 06, 2021. The details of attendance of Risk Management Committee meetings are given below:

Sl.No.	Director Name	Category	Position	Held during tenure	Total attended
1	Mr. Keith WF Bradley	Independent Director	Chairman	2	2
2	Mr. V. S. Hariharan	Independent Director	Member	2	2
3	Ms. Anita P Belani	Independent Director	Member	2	2
4	Mr. B. Ramaratnam	Independent Director	Member	2	2
5	Mr. S. V. Krishnan	Whole Time Director and Chief Financial Officer	Member	2	2

VI. SAR Share Allotment Committee

The Board has constituted a subcommittee which is the SAR share allotment Committee to allot shares pursuant to exercise of Stock Appreciation Rights granted to employees of the Company and its subsidiaries.

The Committee consists of three (3) Directors namely, Mr. V.S. Hariharan, Mr. B Ramaratnam and Ms. Anita P Belani.

The Committee had no meetings held during the year.

Code of Conduct and Ethics

The Company has in place a comprehensive Code of Conduct for the Board of Directors and Senior Management of the Company. The Code has also been posted on the Company's website www.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 regarding compliance of the Code of Conduct for the Financial Year 2020-21 is given below.

Declaration regarding Compliance to the Code of Conduct

We 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 2020-21.

Date: May 27, 2021

Raj Shankar
Vice Chairman &
Managing Director

Ramesh Natarajan
Chief Executive Officer
- India Distribution Business

Redington
SEAMLESS PARTNERSHIPS

General Body Meetings

Location and time of last three Annual General Meetings

Year	Location	Date	Day	Time
2019-20	Through Video Conferencing/Other Audio Visual Means (VC/ OAVM) from Redington House, Centre Point, Plot No. 8 & 11, Thiru.Vi.Ka Industrial Estate, Guindy, Chennai - 600 032	August 12, 2020	Wednesday	10.25 A.M
2018-19	Narada Gana Sabha, Mini Hall, No.314, T.T.K Road, Alwarpet, Chennai – 600 018	July 30, 2019	Tuesday	10.00 A.M
2017-18	Narada Gana Sabha, Mini Hall, No.314, T.T.K Road, Alwarpet, Chennai – 600 018	July 30, 2018	Monday	10.00 A.M

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

Year	
2019-20	None
2018-19	Re-appointment of Prof. J. Ramachandran (DIN: 00004593) as Independent Director
	Re-appointment of Mr. V.S. Hariharan (DIN: 05352003) as Independent Director
	Re-appointment of Mr. Keith W F Bradley (DIN: 06564581) as Independent Director
2017-18	Increasing the borrowing limits of the Company, provided that the total amount so borrowed shall not exceed ₹ 2000 crores at any time as prescribed under Section 180(1)(c) of the Companies Act, 2013
	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 ₹ 2000 crores, as prescribed under Section 180(1)(a) of the Companies Act, 2013

No Extra-ordinary General Meeting was convened, or postal ballot conducted during the financial year 2020-21.

Subsidiary Companies

i. The Company has one (direct) Wholly Owned unlisted non-material Indian subsidiary company viz., ProConnect Supply Chain Solutions Limited as on March 31, 2021.

ii. The Board of Directors of the Company have been regularly apprised of the business and financial performance of the wholly owned subsidiary companies and key decisions, significant transactions and material events, which have bearing on the interest of investments made in the step-down subsidiaries. The minutes of the Board Meetings, wherever applicable/available, are periodically placed before the Board. The Management invites key managers of the subsidiaries to provide updates on their business operations to the Board.

iii. The Independent directors of the Company form part of the board of its material subsidiary.

DISCLOSURES

Related Party Transactions

Transactions with related parties are disclosed in note 41 to the standalone financial statements for the year ended March 31, 2021.

The policy of the Company on its dealings with the related party transactions is formulated and approved by the Board. The same is available on the website of the Company www.redingtongroup.com/india. Omnibus approval of the Audit Committee is obtained for the related party transactions carried out with the Subsidiaries and Associate. Further, at every quarterly meeting of the Audit Committee, the details of transactions with related parties during the previous quarter are placed before the committee for its review.

There are no transactions entered into by the Company with related parties during the financial year ended March 31, 2021 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 structures were imposed by Stock Exchanges or SEBI or any statutory authority during the last three years in this regard.

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 H 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 Practicing Company Secretary has been obtained, confirming 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 2020-21, 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 crs.)
Audit Fees	1.25
Tax Audit Fees	0.05
Certification Fees	0.03
Other Services	0.27
Reimbursement of Expenses	0.03
Total	**1.63**

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

Number of Complaints filed during FY 2020-21	:	Nil
Number of Complaints disposed of during the FY 2020-21	:	Nil
Number of Complaints pending as on end of the FY 2020-21	:	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. The Company as per its policy allows reimbursement of expenses incurred in performance of his duties. Hence, the Company has not provided a separate office for him.

Shareholder's rights

The Company communicates the highlights of financial performance to the investors and stakeholders regularly through emails, earnings calls, annual investor connect programmes, Investor conferences and road shows. The Company also hosts earnings presentations in its website www.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 have not been qualified by the statutory auditors.

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, both in-house and external, 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

- The quarterly, half yearly and annual results are published in English and Regional (Tamil) newspapers, namely Business Standard and Makkal Kural.
- The quarterly, half-yearly and annual financial results including official news releases appear on our corporate website www.redingtongroup.com/india under the investors section.
- Management's Discussion and Analysis Report: This information is covered elsewhere in this Annual Report.
- Presentations made to institutional investors or to the analysts are available on our website www.redingtongroup.com/india.
- The Company has designated investors@redington.co.in as an email id for the purpose of registering complaints by investors and has displayed the same on the Company's website.
- The Company organizes' Earnings Call/Analyst Call' post announcement of the quarterly financial results. The transcripts of these calls are communicated to Stock Exchanges and uploaded on the website of the Company.

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

GENERAL SHAREHOLDERS' INFORMATION

A. Annual General Meeting

Date & Day	:	Wednesday, August 11, 2021
Time	:	11.00 AM
Venue	:	Through Video Conferencing/Other Audio Visual Means (VC/OAVM)

B. Financial Calendar : April 1 to March 31

(Tentative Board Meeting Calendar for the Financial Year 2021-22)

Adoption of results for & considering other items for the I Quarter	:	August 12, 2021
Adoption of results for & considering other items for the II Quarter	:	November 9, 2021
Adoption of results for & considering other items for the III Quarter	:	February 8, 2022
Adoption of results for & considering other items for the IV Quarter	:	May 26, 2022

C. Date of Book Closure : 5th August to 11th August 2021

D. Dividend Payment Date : 7th September 2021

E. Listing on Stock Exchanges

Location	Address	Scrip Code
National Stock Exchange of India Limited	Exchange Plaza, Plot No. C/1, Block G, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051	REDINGTON
BSE Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	532805

Annual Listing fees for equity shares have been paid to National Stock Exchange of India Limited and BSE Limited.

F. Depositories (Stock Code) : INE891D01026

G. 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

H. 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.

As per Regulation 40 (9) and 40(10) of SEBI (LODR) Regulations, 2015, the Company has to obtain and submit to the Stock Exchanges on a Half Yearly basis a Compliance Certificate from a Practising Company Secretary, confirming that the Company has delivered share certificates relating to transfer of shares, sub-division, consolidation, renewal, exchange or endorsement of calls/allotment monies within the specified period. The Company/Registrar and Transfer Agent of the Company did not receive any request for transfer, consolidation, sub-division, renewal, exchange etc. during FY 2020-21 and hence, the compliance of delivering share certificates within specified period is not applicable. The certificates from the Practising Company Secretary were obtained confirming this and submitted to stock exchanges ensuring the requisite compliance under the aforesaid regulation.

I. Reconciliation of Share Capital Audit

As stipulated by SEBI, a Practising Company Secretary carries out Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and held in physical Form with the total issued and listed capital. This audit is carried out every quarter and the reports thereon are submitted to the Stock Exchanges, BSE Limited and National Stock Exchange of India Limited. The audit confirms that the total listed and paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and in physical form.

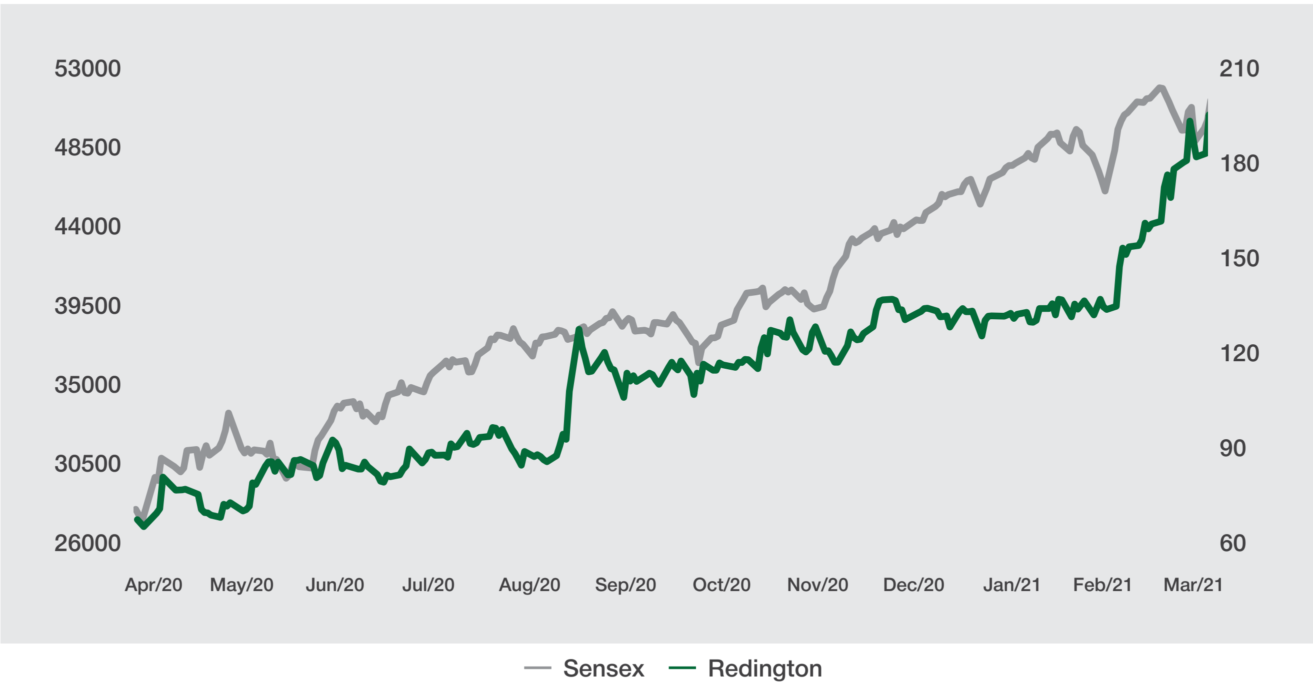
J. Market Price Data

High, Low and Closing price during each month of the Financial Year 2020-21

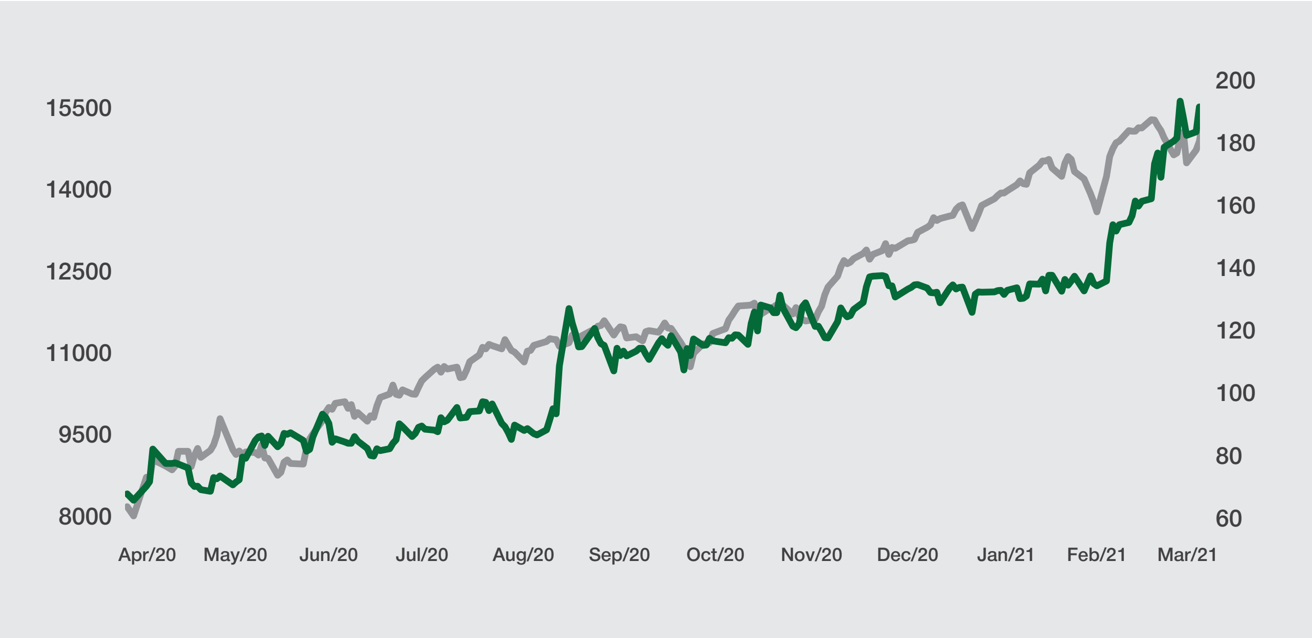
S.No	Month	NSE			BSE		
		High	Low	Close*	High	Low	Close*
1	April 2020	87.80	65.65	74.25	87.55	66.00	74.15
2	May 2020	91.40	70.00	86.70	91.15	70.60	86.70
3	June 2020	96.85	79.30	87.85	96.85	79.30	87.75
4	July 2020	99.75	85.50	90.50	99.75	85.50	90.30
5	August 2020	131.00	86.75	107.80	131.10	86.90	107.30
6	September 2020	121.90	107.10	118.25	121.30	106.50	118.20
7	October 2020	137.00	115.10	129.55	135.75	114.45	129.55
8	November 2020	142.80	116.30	131.40	142.40	116.50	131.75
9	December 2020	137.60	124.25	132.20	137.65	116.50	132.20
10	January 2021	142.40	130.15	135.00	142.10	130.40	135.00
11	February 2021	201.80	135.10	183.00	201.20	135.50	183.05
12	March 2021	202.90	147.10	190.85	200.00	147.60	190.70

*Close price as on the last trading day of the month

Sensex vs Redington



Nifty vs Redington



K. Distribution of shareholding as on March 31, 2021

Shareholding (in ₹)	No. of Shareholders	% of Total Shareholders	Amount of Share Capital	% of Total Share Capital
2-5000	37087	97.2927	9803420	1.2594
5001 - 10000	379	0.9943	2900118	0.3726
10001 - 20000	213	0.5588	3147290	0.4043
20001 - 30000	78	0.2046	1857428	0.2386
30001 - 40000	43	0.1128	1534070	0.1971
40001 - 50000	32	0.0839	1440880	0.1851
50001 - 100000	76	0.1994	5356338	0.6881
100001 & Above	211	0.5535	752399000	96.6549
Total	**38119**	**100.0000**	**778438544**	**100.0000**

#Shareholders having same PAN are clubbed together

L. Statement showing shareholding pattern as on March 31, 2021

Category	No. of holders	No. of Shares	% of Shareholding
Promoter Holding	-	-	-
Total of Promoter Holding	-	-	-
Non Promoter Holding			
Institutions			
Mutual funds / FIs & Banks	13	6,14,77,231	15.80
Foreign Institutional Investors & FPIs	228	16,34,53,989	42.00
Non Institutions			
Bodies Corporate	200	91,20,888	2.34
Indian Public	36,822	1,36,48,060	3.51
NRIs/NRI Directors/Foreign Nationals/Investors	670	14,08,67,600	36.19
Others	186	6,51,504	0.17
Total of Non promoter Holding	38,119	38,92,19,272	100.00
Grand Total	**38,119**	**38,92,19,272**	**100.00**

#Shareholders having same PAN are clubbed together

M. 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, 2021, 75.73% shares of the Company were held in dematerialized form.

N. 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.

O. Convertible Instruments

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

P. 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.

Q. Locations of Branches

Our Company along with Indian and Overseas subsidiaries has the following distribution offices, warehouses and services centres both in India and Overseas:

Particulars*	India	Overseas
Sales Offices	41	31
Warehouses	149	60
Owned Service Centres	0	17
Partner Service Centres	0	22

*Includes branches of subsidiary companies

R. Address for Correspondence

The shareholders may address their communication / suggestions / grievances / queries to the Registrar and Share Transfer Agent at their address mentioned in Para G above or to:

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

The Company has its own website namely www.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.

S. 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 rating 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, Vice-Chairman and Managing Director, Ramesh Natarajan, Chief Executive Officer – India Distribution business and S.V. Krishnan, Whole time Director and Chief Financial Officer of Redington (India) Limited, to the best of our knowledge and belief, hereby confirm and certify that:

A. We have reviewed financial statements / results for the year ended March 31, 2021 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 year 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 year;

   ii. That changes in accounting policies, if any, during the year have been disclosed in the notes to the financial statements 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.

Date: May 27, 2021

Raj Shankar
Vice Chairman &
Managing Director

S V Krishnan
Whole Time Director &
Cheif Financial Officer

Ramesh Natarajan
Chief Executive Officer
- India Distribution Business

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 REQUIREMENTS) REGULATIONS, 2015)

To

The Members,
Redington (India) Limited
Centre Point, Plot No. 11 (SP),
Thiru. Vi. Ka. Industrial Estate,
Guindy, Chennai – 600032

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Redington (India) Limited (hereinafter referred to as Company) having CIN L52599TN1961PLC028758 and having registered office Centre Point, Plot No. 11 (SP), Thiru. Vi. Ka. Industrial Estate, Guindy, Chennai – 600 032, produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C sub clause 10(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our 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 us by the company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial year ending on 31st March 2021, 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.	Professor J. Ramachandran	00004593	21/11/2006
2.	Mr. Raj Shankar	00238790	22/09/2005
3.	Ms. Anita P Belani	01532511	01/04/2019
4.	Mr. Tu, Shu-Chyuan	02336015	24/10/2008
5.	Mr. Udai Dhawan	03048040	10/01/2017
6.	Mr. V.S. Hariharan	05352003	21/07/2012
7.	Mr. Keith WF Bradley	06564581	01/04/2013
8.	Mr. S.V Krishnan	07518349	22/05/2019
9.	Mr. B. Ramaratnam	07525213	24/05/2016
10.	Ms. Chen, Yi-Ju	08031113	26/12/2017

*the date of appointment is as per the MCA Portal.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these, based on our 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.

"We have conducted online verification & examination of records as facilitated by the Company due to Covid 19 and subsequent lockdown situation for the purpose of issuing this report/ certification/documents"

For R Bhuvana and Associates

R. Bhuvana
Practicing Company Secretary
Membership No. F10575
Certificate of Practice No. 8161
PR No.: 1082/2021
UDIN : F010575C000379152

Place: Chennai
Date: 27/05/2021

PRACTICING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of Redington (India) Limited

We have examined the compliance of conditions of Corporate Governance by Redington (India) Limited (hereinafter referred "the Company"), for the year ended on March 31, 2021 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 our opinion and to the best of my information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations, as applicable.

We 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.

"We have conducted online verification & examination of records as facilitated by the Company due to Covid 19 and subsequent lockdown situation for the purpose of issuing this report/ certification/documents"

For R Bhuvana and Associates

R. Bhuvana

Practicing Company Secretary
Membership No. F10575
Certificate of Practice No. 8161
PR No.: 1082/2021
UDIN : F010575C000379119

Place: Chennai
Date: 27/05/2021

Business Responsibility Report

The Ministry of Corporate Affairs (MCA) revised the National Voluntary Guidelines (NVG) 2011 on Social, Environmental and Economic Responsibilities of Business and aligned it with the national and international developments in the sustainability space. This resulted in formulation of National Guidelines on Responsible Business Conduct (NGRBC) in 2019.

The NGRBC principles and core elements are deeply integrated into processes and practices at Redington.

Redington's Business Responsibility Report 2020-21 highlights our responses to the key performance principles defined under Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (read with SEBI Circular dated November 4, 2015) covering varied topics such as environmental, social, governance and stakeholder relationships.

A. Section A: General Information about the Company

S.No.	Details	
1.	Corporate Identity Number (CIN) of the Company	L52599TN1961PLC028758
2.	Name of the Company	Redington (India) Limited
3.	Registered address	Redington House, Centre Point, Plot No. 11 (SP), Thiru.Vi.Ka Industrial Estate, Guindy, Chennai – 600 032
4.	Website	www.redingtongroup.com
5.	E-Mail ID	investors@redington.co.in
6.	Financial Year reported	2020-21
7.	Sector(s) that the Company is engaged in (industry-code wise)	Whole-sale distribution of Machinery, Equipment and Supplies (Code : 465 of NIC 2008)
8.	List three key products/services that the Company Manufactures / provides (as in Balance Sheet)	Wholesale Distribution of Technology Products Distribution of Mobility Products and Services
9.	Total number of Locations where business activity of the Company is undertaken	25 Countries/ 37 Markets
10.	Number of International Locations (Major 5)	Major 5 Countries are – UAE, KSA, Turkey, Kenya and Nigeria
11.	Number of National Locations	Sales Offices 72, Service Centres 39, Warehouses 209
12.	Markets served by the Company	India, Middle East, Turkey, Africa and South Asia including Singapore

B. Section B: Financial Details of the Company

1.	Paid-up Capital	:	₹ 77.84 crores
2.	Total Turnover	:	₹ 22,791.74 crores
3.	Total Profit after taxes	:	₹ 263.33 crores
4.	Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	:	2.76%[#]
5.	List of activities in which expenditure as in for above has been incurred	:	

Category of CSR Project	Details of CSR Projects or activities identified
Education and Employability	Employability Skills Training for the under privileged, Trainings to differently abled, Sponsorship to educational institutions and needy students, Remedial Classes for the school students, Infrastructural Support and Equipping Activities, etc. under Projects READ, REACH and Excellence
Healthcare	Wellness Program and Revival of Health Centres, Promoting healthcare including preventive healthcare through Camps and Telemedicine, Eradicating Hunger by Project KARUNA.

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

[#]this percentage is computed by including earmarked amount for ongoing projects.

C. Section C: Other Details

1.	Does the Company have any Subsidiary Company/ Companies?	Yes, the Company has 58 subsidiaries as on March 31, 2021 including 55 step down subsidiaries. In India, it has one wholly owned subsidiary – ProConnect Supply Chain Solutions Limited. During the year under review, the Company sold its entire shareholding in M/s. Ensure Support Services (India) Limited ("Ensure"), a wholly owned subsidiary of the Company, to M/s. Accel Limited. Since this business vertical was not strategic to the future plans.
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 (ies).	The Company's wholly owned subsidiary – ProConnect Supply Chain Solutions Limited ("ProConnect") has adopted the applicable BR principles prescribed by SEBI and undertake wide range activities in line with BR principles. The foreign subsidiaries have adopted the BR principles to the extent and the same are applicable in their respective countries. ProConnect participates in CSR initiatives, which are aligned to the activities under the aegis of Foundation for CSR @ Redington, the CSR implementing arm of the Company.
3.	Do any other entity/entities (eg. suppliers, distributors, etc.,) that the Company does business with, participate in the BR initiatives of the Company? If yes, indicate the percentage of such entity/entities. [Less than 30%, 30-60%, More than 60%]	The Company is engaged with a significant number of ecosystem partners, namely vendors/suppliers and channel partners that work with the Company in delivering focus on responsible business conduct. Ensuring Governance and Transparency: Redington, through its contracts with vendors / suppliers ensure that they are aware of the business ethics and code of conduct of the Company and vice versa. We have a dedicated helpline that helps them in raising concerns on business conduct or non-compliance with policies. Employee welfare measures: As we engage contractual employees, the Company ensures that dedicated awareness training/orientation programs are imparted as part of the on-boarding process. Efforts are taken to ensure that statutory dues such as EPF/ESI are paid on time.

D. Section D: BR Information

1 a)	**Details of Director responsible for implementation of BR Policies of the Company**	
	DIN	07525213
	Name	Mr. B. Ramaratnam
	Designation	Independent Director
1 b)	**Details of BR Head**	
	DIN	07518349
	Name	Mr. S.V. Krishnan
	Designation	Whole Time Director and Chief Financial Officer
	Telephone Number	044 – 42243353
	E-mail id	krishnan.sv@redington.co.in

2. Principle-wise (as per National Voluntary Guidelines) BR Policy/Policies

(a) Details of compliance (Reply in Y/N)

Principle 1	Business 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	P1	P2	P3	P4	P5	P6	P7	P8	P9
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 for Responsible Business Conduct issued by the Ministry of Corporate Affairs								
4.	Has the policy been approved by the Board? 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

The Company has an e-mail and helpline facility for its external stakeholders to raise ethical issues and grievances. E-Mail : ethics.helpline@redington.co.in; Helpline : 1800-300-12333

3. Governance related to BR

Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess 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 BR initiatives taken up by the Company along with the support of Mr. S.V. Krishnan, Whole-Time Director and Chief Financial Officer, who is the 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.

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

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

Our Company publishes a Business Responsibility (BR) Report annually and an Environment, Social and Governance (ESG) Report. The same is being made part of the Annual Report of the Company, and the recent reports can be accessed through –

https://redingtongroup.com/india/financials-and-reports/

A. **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?**

Redington's Code of Conduct intends to strengthen transparent governance covering provisions related to anti-bribery, anti-corruption and professional misconduct.

The policy outlined by the Company on anti-bribery provisions and prohibition of corrupt practices extend to the Employees and Directors of subsidiary companies as well. The Company encourages parties associated with its value chain, like vendors, suppliers, contractors, etc., to follow the principles envisaged in the policy.

The Company has set up a "Whistle Blower Policy" through which employees as well as third parties can raise concerns relating to corruption or bribery or any malpractice within the Company. Orientation sessions to the employees of the Company were conducted during the year, highlighting on the compliance mandate under the above stated policies.

Being a listed Company, Redington has established a fully functional Enquiry Committee to conduct inquiries/ investigations in matters of actual/suspected leak of Unpublished Price Sensitive Information (UPSI) and recommends disciplinary actions including fines to defaulters, thereby ensuring compliance with applicable code of conduct and allied reporting requirements.

The Company has conducted adequate Workshops and Training session on SEBI (Prohibition of Insider Trading) Regulations 2015, to 'designated persons' identified under the said regulations.

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 as follows –

Sl. No	Brief Details of the Complaint	Redressal	Status of Complaint
1.	Two cases of Non-receipt of second interim dividend for FY 2019-20	Payment of dividend to complainant shareholders was made promptly	Closed

The Company has different mechanisms for receiving and addressing the complaints from other stakeholders, such as suppliers, customers, employees, etc.,

Stakeholder	No. of complaints received during 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 products or services whose design has incorporated social or environmental concerns, risks and/or opportunities**

Over the years, Redington has transformed itself from a "Broadline Distributor" to a "Value added Distributor" to a "Services & Solution Company" encompassing its presence in IT, Mobility and Logistics.

Redington offers a range of IT services and solutions like cloud-based services, digital offerings and managed services, all of which significantly contribute in process efficiency and business outcomes. These services, directly or indirectly, helps in reducing the impact on environment, thereby making considerable contribution towards reduction of environmental footprint.

Redington, classified as an importer on record, is fully committed to distributing products that comply with the Reduction in the use of Hazardous Substances (ROHS) compliance standards. In case of imported products, we ensure that the products so imported are compliant with the ROHS standards (EN 50581 of EU), as ROHS compliance forms an integral part of our process.

The year gone by has brought massive disruption on an unprecedented scale, globally, due to the COVID-19 pandemic. Naturally, this has resulted in widespread digital adoption thereby resulting in significant growth in deployment of IT (devices, infrastructure, security, software) across geographies and industries. Our Company consciously takes efforts to engage with businesses that do not pose any direct threat to the environment and the society. We take care to ensure that the products distributed has minimal impact on environment or on society by adhering with the applicable regulatory requirements. Even for waste generated through such import of electrical and electronic equipment and the usage of electronic products, we go the extra mile to dispose such products in a safe and sound manner. The Company channelizes the e-waste so generated to the authorized recyclers for proper disposal, in conformity with the E-Waste Management Rules, 2016.

Redington offers an array of Enterprise Server, Storage and Virtualization solutions and services covering complete life cycle of the data centre from advisory, design and build to Transform & Support, thereby reducing environmental foot print. In this digital era, our Company has the prowess to transform business with comprehensive storage solutions for real time analytics, thereby ensuring complete data protection.

The Company, through its robust network of partners, ensures deployment and management of collaboration platforms and solutions for uninterrupted communication and accessibility that can capitalize on business agility and performance by providing the flexibility required to adapt to any work environment, especially during this challenging year.

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?**

Given the nature of industry in which the Company operates, it does not consume energy, raw material and power, to the scale and magnitude of a manufacturing unit, and hence it is difficult to quantify the rate of reduction.

The cloud solutions provided by the Company, fuel the vision of digital transformation for our country.The past year has notably taught the means of digital adoption to stay relevant in remote business environment. Therefore, for businesses, large and small, a Digitally Transformed business has become the new normal.The pandemic of 2020 has only accelerated the pace of Digital transformation across the Company.

As a responsible corporate citizen, we ensure that we make optimum utilization of the resources. Some of the initiatives that have been taken by the Company towards this objective are –

- Installation of Rain-Water Harvesting System in the Company premises
- Installation of Harmonic filters that reduce distortion and are capacitive at fundamental frequency, so that they can be used for producing reactive power required by converters and for power factor correction
- Installation of CFL lamps, LED lamps and Solar lamps for efficient energy consumption
- Judicious use of printers/cartridges

The 3D Business division is engaged in promoting the concept of Digital Manufacturing and offering Part on demand services for the manufacturing industry using the latest technologies of 3D printers. In order to decrease the carbon foot print & its impact for the environment, we are adopting the additive manufacturing process, using the recyclable Nylon Thermoplastic, which will 3D print digital data directly as the end-use parts, cutting down multiple processes needed in the conventional manufacturing process. The division also driving the transformation in Digital Manufacturing with the manufacturing industry & helping them to expand its applications to cut down the lead time & multiple processes which is impacting the environment today.

Some of the initiatives that have been taken by the Company towards this objective are –

- Promoting Recyclable Thermoplastic for production & reduce the use of Thermoset plastic
- Reducing the intermediate processes like Tool making using aluminium / steel where production & recycling have larger impact on environment
- Promoting latest technologies for manufacturing which will have low-emission & reduced scraps / non-degradable consumables
- Higher re-usability of consumables

The Company's wholly-owned subsidiary, ProConnect Supply Chain Solutions Limited ("ProConnect") is into the business of providing warehousing and logistics services. Our Company makes use of the services offered by ProConnect for handling and transportation of goods, as they use plug and play in their operations which ensures minimum lead time and scaling up is rapid. This has resulted in optimum utilization of resources through planned transportation and load consolidation. ProConnect, the logistics partner for our Company and for other third party clients, through its intricate network of service providers, delivers products on time, every time. At ProConnect, the following measures have been incorporated in its operations for efficient use of its resources –

- 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.
- Mechanized mobile trolley with Scanner that runs on battery power is used resulting in increased performance and efficiency. It also results in eliminating carbon emission.
- Double deep racking system used at the warehouses has resulted in more pallet position whereby effective space utilization has been achieved.
- Warehouses are designed in such a way that they utilize natural light instead of artificial lighting resulting in conservation of energy.
- Instead of diesel for lift, battery operated material handling equipment are used, which reduces carbon emission, thereby reducing pollution.
- Rain Water Harvesting Systems and Water Treatment Plants have been installed in its warehouses resulting in conservation of water.
- 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?

Our Company is into the wholesale distribution of IT and mobility products and is not directly involved in production/ manufacturing activities. Since the core activities of the Company are not resource intensive, we contribute to considerable reduction in the usage of natural resources.

However, the Company has taken initiatives to curtail energy consumption by installing energy efficient equipment in its premises to reduce carbon footprint.

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.

Since the Company is in the distribution industry, it is not involved in production/manufacturing activities.

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

Redington encourages sourcing from the local economy. It sources about 85% of its trading goods from domestic Vendors. This domestic sourcing creates local employment, earnings opportunities for service providers and reduces foreign exchange outflow.

The Company's wholly-owned subsidiary, ProConnect have its footprint across cities and sub-urbans which creates employment opportunities for skilled and unskilled people residing in and around the region where it operates. Further, it procures packing material from small scale producers and hires fleet of vehicles and equipment for loading and unloading to ship the goods to various locations, thereby enabling growth of such small players in that area.

The Company advances its sourcing commitments through analysis of risks and opportunities, assurance and accountability, capacity building and foster equitable growth.

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

The Company uses the services offered by micro and small enterprise service providers. Our Company has a comprehensive supply chain partner's engagement model that targets at capacity building. The quality policy of ProConnect charts out the minimum quality standards to be maintained by business partners, which 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 ensures that there is a robust mechanism in place to identify products where the 'end of life' period have lapsed and ensures proper disposal of the same through recognized channels, as 'E-Waste'.

Having been classified as an importer on record for select category of IT products, the Central Pollution Control Board (CPCB) has assigned collection targets for collection and disposal of e-waste thus generated basis the products imported and placed for sale in the market.

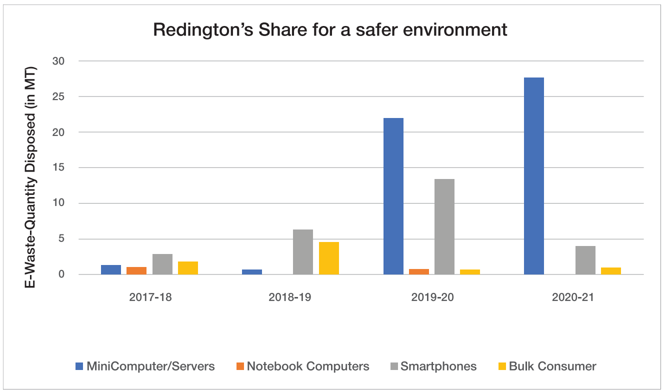
Accordingly, our Company has achieved the collection target amounting to approx. 30 MT during the year (>10% of estimated e-waste generated). Apart from the targets assigned, the Company, as a Bulk Consumer of IT and Telecom products, engages with recyclers authorized by State Pollution Control Boards (SPCBs) for prompt disposal of such products at definite intervals.

The Company has designated collection points at 30 locations across India to collect and channelize e-waste in a responsible manner. As a responsible corporate citizen, the Company strives to create awareness on methods for safe handling and disposal of E-Waste.

Our Company has taken cognizance of the quantum of waste generated through import and distribution of IT products, and hence has been taking conscious steps to handle e-waste in a safe manner.

The efforts taken by the Company to channelize and dispose e-waste is at par with global standards.

At the Corporate Office, the Company has made necessary arrangement for bifurcation of plastic and non-plastic waste to demonstrate the responsibility of the Company towards a safer environment.



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

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

Total number of employees of the Company as on March 31, 2021 is 1545.

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

Total number of employees hired on temporary/contractual/casual basis as on March 31, 2021 is 83.

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

Total number of women employees of the Company as on March 31, 2021 is 382.

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

Total number of permanent employees with disabilities as on March 31, 2021 is Nil.

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

The Company recognizes the right to freedom of association and encourages associates to connect and discuss ideas and raise issues through readily available internal tools and platforms. Such internal tools and platforms are available for all employees to share their opinion, views and ideas across all managerial levels and across the organization.

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.**

Redington is committed to the highest standards of openness, probity and accountability. The Company has a robust redressal mechanism in place which allows employees and stakeholders to voice their concern in an effective manner.

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 strives to provide a workplace environment that is safe, hygienic, and humane 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 ensures complete anonymity and confidentiality of information.

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.

Sl. 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

The Company's Policy on Prevention of Sexual Harassment at Workplace (POSH) and Whistleblower Policy have been hosted on the Company's intranet. Any concerns raised will be addressed in accordance with the procedures laid down in the policy. An Internal Complaints Committee has been constituted with due compliance with the POSH Act, 2013 to oversee the effective implementation of the policy and in redressal of grievances raised regarding POSH related issues. All employees are mandated to undergo the e-Module and e-Assessment on POSH compliances, available in the Company's intranet. Awareness Sessions on POSH were conducted during the year, highlighting on the responsibilities of the employees to ensure a discrimination-free workplace.

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

Skills Upgradation Training

Our Company helps every employee build their skills and access the resources that help them equip themselves for the future. The Company and its subsidiaries provide access to skill-based training to help create pathways for our employees in bringing scalable solutions.

In the digital era, our Company provides the best platform for our employees to upgrade their skills through Massive Open Online Courses (MOOC) offered by world renowned universities and institutions like IIM – Bengaluru, Yale University, University of Michigan, Harvard University, etc. The Company bears the learning cost of the employees on successful completion of the course.

In addition to the above, the Company offers Product Certification (Vendor), Skills Workshop, OutBound Training, Domain Certifications and Public Speaking skills, with the objective of making the employees' future ready.

Apart from the above, the Company runs a well-equipped library (in-house) and a mobile library with the works of varied authors across genres for the employees.

During the year, approximately 38% of total permanent Men employees and 43% of permanent women employees attended the Skills Upgradation Training programmes.

Employee Safety

At Redington, we endeavour to provide a conducive working environment. Strong control measures have been put in place to ensure employee health and safety. Awareness is created on various issues and are communicated to employees on a regular basis to ensure their hygiene and safety. We conduct mock Fire accident drills at campuses and provide adequate training to combat any disaster. Each floor has an Emergency Response Team (ERT) and would be easily accessible in case of emergency requirements.

At the warehouses, managed by ProConnect, firefighting systems, such as sprinklers, smoke & beam detector and yard hydrant are available. Adequate safety drills and training are provided, periodically, to the staff, to combat any unsolicited events at the warehouse.

All the contractual employees of the Company receive mandatory safety training before entering the premises, they also receive on the job training through the contractor and the Company.

Amidst the pandemic of 2020, "Corona Kavach Policy" was introduced to protect insured from hospitalization expense due to COVID. Redington was one of the organizations, to take lead in covering the employees under this policy. The organization availed the maximum coverage that was available in the market i.e., ₹ 5 lacs Sum Insured and for a policy period of 9.5 months. All employees were covered under this policy.

All employees of the Company were paid an allowance of ₹ 15,000 as Covid Care Allowance. This allowance was paid towards support for Covid related care like tests, scans, medicines and buying other items like oximeter, masks and sanitizers. The allowance was also to help employees enhance the convenience of working from home by buying furniture (Table or Chair), stationery etc.

All employees of the Company are covered under a Health Insurance Policy. Employees have an option to extend the coverage to include their family members as well. The policy covers hospitalization expenses related to treatment and employees can avail cashless facility in a network of hospitals spread across the country. The insurance covers all pre-existing diseases and there is no waiting period for any ailment.

Group Term Life (GTL) Policy provides monetary compensation to the family members, in case of death to the insured person. The company has been covering the employees for many years. In case of an unfortunate death of an employee, the family will be paid compensation.

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 stakeholders identified on a constant basis through various modes.

Stakeholders	Engagement Mode
Investors	Periodical reports Virtual Meetings / Virtual Conferences / Virtual Roadshows with existing and potential investors Quarterly Earnings Call Investor Connect Programmes Annual General Meeting
Government / Regulatory Authorities	Reporting / Filings Submissions / Applications Conclusion of Assessments Representations in person Attending Workshops conducted by the authorities
Vendors	Vendor Partner Meets Vendor Review Meeting Mailers / Brochures
Customer	Periodical Meets / Reviews Mailers / Brochures Personal Visits / Interviews Satisfaction Surveys Channel Finance / Leasing Finance facility
Employees	Town Hall Meeting Amber Employee feedback directly to MD Team Engagement Celebrations during special occasion Engagement through Health Programs Intranet
Local Communities (through Foundation for CSR @ Redington)	Local Community Meetings Mailers / Brochures Meeting with Associations / NGOs
Bankers	Periodical Meetings Periodical Reports Attending Workshops/Seminars conducted by AD Bankers

2. **Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized stakeholders.**

The Company duly recognizes the business eco-system in which the Company operates. Efforts are taken to consider all its stakeholders in its business value chain significant and to ensure that the interests of all stakeholders are protected.

As part of the Company's Corporate Social Responsibility initiatives, disadvantaged, vulnerable and marginalized sections of the society have been identified as beneficiaries and activities were undertaken to uplift them. The Company has taken cognizance of its responsibility to maximize the positive impact and minimize and mitigate the adverse impact of its products, operations and practices on all their stakeholders.

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 that reside in our operating geographies.

Specifically, during the outbreak of COVID-19 pandemic, the Foundation stood up to the occasion and undertook several programmes in support of daily wage earner, migrant & casual workers and the homeless, by providing them with meal support and grocery kits to help them sail through in fighting the dire situation.

The members of the Foundation took absolute efforts to adhere with the prescribed safety norms while undertaking the above programmes. As our team approached various location for rendering support, the people felt a ray of hope, as the pandemic had thrown their livelihood to a grinding halt.

Apart from the measures taken during the pandemic, 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.

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 on human rights covers the Company, its subsidiaries, vendors, and channel partners.

The Company remains committed to respecting and protecting human rights. The Company's code of conduct and the human resource practices affirms the responsibility of the Company to avoid causing or contributing to adverse human rights violation.

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

The Company has not received any complaints in the area of human rights violation from its 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.,? Yes/No. If yes, please give hyperlink for webpage, etc.**

The Company's policy on environment encourages conduct of business with minimal impact on environment. The policies are reflected in the strategic thinking across the organization. Our Company believes that the operations should not adversely affect the environment, the ecological balance and life support functions.

The Company is not involved in manufacturing and does not source any raw material, thereby reducing the environmental footprint. Being a distributor of IT products, e-waste is the only source from our operations that impact the environment.

The Company has taken cognizance of the environmental impact from the e-waste thus generated and has put in place mechanism to ensure safe handling and proper disposal of e-waste.

The Company has taken initiatives to conduct various awareness programmes as part of its Extended Producer Responsibility, thereby educating the public on the need for proper disposal of e-waste, which has now been identified as a threat to the environment. The details of initiatives for proper channelization of e-waste and the awareness programmes conducted during the financial year can be accessed through the following link https://redingtongroup .com/wp-content/uploads/2019/04/Redington-E-waste-awareness-program.pdf

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

Yes, the Company has identified potential risks in conjunction with the business functions. The Company has taken cognizance of the potential environment risk identified from the e-waste generated, through distribution of IT products.

The Company has put in place effective system to identify the products as e-waste after their “end-of-life”. We take conscious measures to mitigate the potential risks by disposing the e-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.

The Company has taken various energy efficient initiatives across the organization to reduce emission through installation of energy efficient equipment, increasing the share of renewable energy by installing solar panels, consolidation of operations to increase system efficiency, energy savings and better maintenance quality. The Company takes its best efforts to keep the usage of energy minimal as the Company does not fall under the energy-intensive category.

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, as the Company does not emit/generate any effluents/pollutants although, the company does recycle e- waste as prescribed by CPCB/SPCB year on year.

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 – Business, 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 various industry bodies and associations like Technology Distribution Association of India (TDAI), Madras Chamber of Commerce and Industry, Employee Federation of Southern India (EFSI) and Madras Management Association (MMA).

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, our Company has been providing suggestions to overcome the challenges faced by the Distribution Industry and has also made representations to the Central Board of Direct Taxes and Customs India through TDAI.

Principle 8 – Business 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, through Foundation for CSR @ Redington strives hard in the area of Education, as part of its commitment for growth of students from rural background.

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

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

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

Required due diligence of the partners with whom the CSR wing collaborates, is conducted, to duly monitor and evaluate programs/outcomes, during the course of the program, and the same would be reviewed by the trustees of Foundation for CSR @ Redington and its recommendations are being implemented.

The assessment also involved determining the number of beneficiaries as a result of implementation of every program/project. Impact assessment is carried out by the in-house operations teams who monitors the progress 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 2020-21 is as follows:

Redington (India) Limited	₹ 3.46 cores*
ProConnect Supply Chain Solutions Limited	₹ 11 Lakhs*

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

**Note: Balance unspent amount of Redington (India) Limited and it's subsidiary Proconnect Supply Chain Solutions Limited has been transferred to unspent CSR Account with regards to ongoing CSR projects.*

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.

The nature of programmes/projects adopted by Redington through its CSR wing ensures successful adoption by communities. The community development programmes focus on creation of economic well-being of people in rural areas by providing better infrastructural facilities, amenities, sustainable management, etc.,

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?

The Company does not have any complaints relating to violation of the above principle. However, as part of routine consumer related commercial litigations/disputes during the year, 5% of the consumer cases were addressed. The comparative previous year figure was 23%.

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 labelling by the Company, whereas the goods imported will contain the label affixed, with requisite information as required under Legal Metrology (Packaged Commodities) Rules, 2011. In respect of products imported by the Company, it ensures appropriate disclosure of the details of the product in the package as mandated by law and in the case of goods procured locally, such requirement is mandated on the respective domestic manufacturer/ importer, as the case may be.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior 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.The Company had received a notice with regards to Legal Metrology Act during the Financial Year, the same was settled during the Financial Year 2020- 2021.

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

In addition to the regular interaction with the dealers, our company conducts customer satisfaction survey periodically to understand the requirement and expectation of the customers. We have developed a robust system wherein our Data Analytics team based on the survey information provide us client's requirement to help in appropriate decision making.

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

The results of the channel partner survey indicated 63%of satisfied customers for the current year. The Company continues to strive for more satisfied customers.

Standalone Financial Statement

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, 2021, 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 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, 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, 2021, and profitand 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 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 opinion on the Standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, 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 and trade receivables	
Revenue recognition involves certain key judgments relating to identification of contracts with customers, identification of distinct performance obligations including assessment of the Company acting as a principal or agent in the transaction, determination of transaction price and the basis used to recognise revenue either at a point in time or over a period of time. Revenue is recognised 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. Revenue recognition has been identified as a key audit matter because the Company and its external stakeholders focus on revenue as a key performance metric. This could create an incentive for revenue to be overstated or recognised before control has been transferred. Further, the Company has significant trade receivables at year end. Given the size of the balances and the risk of some of the trade receivables not being recoverable, judgement is required to evaluate the adequacy of allowance recorded to reflect the risk. See note 2(d)(i), 2(d)(vii), 3(i), 3(u) and 40(c) to the standalone financial statements.	In view of the significance of the matter, the following key audit procedures were performed by us: • Assessed the appropriateness of the revenue recognition accounting policies and its compliances with applicable accounting standards. • Tested the design, implementation and operating effectiveness of key internal controls relating to revenue recognition. • Performed substantive testing of revenue transactions recorded during the year on a sample basis by verifying the underlying documents of the sale. • Performed testing for samples of revenue transactions recorded closerto the year-end by verifying underlying documents, to assess the accuracy of the period in which revenue was recognized. • Selected samples of contractual arrangements, tested the assessment of whether the Company acts as a principal or agent in the transaction and evaluatedthe recognition of revenue on a gross or net basis • Evaluated management assessment of the impact on revenue recognition and consequential impact on the expected credit loss allowance and other areas of judgement, including for possible effects, if any from the COVID-19 pandemic.

Independent Auditors' Report

To the Members of Redington (India) Limited

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). The Company has varied types of rebate schemes and the quantum of rebates recorded against cost of purchase of traded goods / services are significant in relation to the profits. Accordingly, determination of the Company's entitlement to such rebates, its quantum and accuracy of period in which the rebates are recorded were areas of focus for our audit. See note 2(d)(vi) to the standalone financial statements.	In view of the significance of the matter, the following key audit procedures were performed by us: • Obtained an understanding of and assessed the design, implementation and operating effectiveness of the Company's key internal controls over supplier rebates. • Selected samples and verified underlying documents such as program/ scheme documents, credit notes / payments received to verify the accuracy of the amounts and the period in which the supplier rebates were recorded. • Selected samples of supplier rebates recorded in the subsequent financial period and verified the underlying documents to evaluate the accuracy of the period in which the supplier rebates were recorded.
Taxation related matters Determination of tax provision and assessment of contingent liabilities in respect of various direct tax and indirect tax matters involves judgment, interpretation of laws, regulations, judicial pronouncements, etc. Judgment is also required in assessing the range of possible outcomes for some of these matters. The Company 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. During the year, the Company had performed a comprehensive evaluation of its various direct tax positions including the status of its pending litigations and the Company had, in respect of certain assessment years, made applications under the Vivad Se Vishwas (VSV) scheme. The Company has opted to avail the scheme after evaluating the pros and cons of continuing with the litigations and the benefit of wavier of interest and penalty that the scheme offers. Accordingly, tax provisions and contingent liabilities are areas of focus in the audit. See note 2(d)(iii), 3(n), 3(o), 37 and 47 to the standalone financial statements.	In view of the significance of the matter, the following key audit procedures were performed by us: • Tested the design, implementation and operating effectiveness of key internal controls relating taxation and contingencies. • Evaluated judgements used in respect of estimates of provisions, exposures and contingencies. • Evaluated the Company's eligibility for application under VSV scheme, including the verification of the orders received by the Company for full and final settlement under the aforesaid scheme. • Involved our tax specialists to read and analyse select assessment orders and other correspondences and documents obtained by Company for key tax matters (including the VSV scheme). • Evaluated the Company's judgements in respect of estimates of provisions, exposures and contingencies by involving our tax specialists to assess the status of recent and current tax assessments. • Considered third party advice received by the Company, wherever applicable, the outcome of previous claims, relevant judicial pronouncements and developments in the tax environment. • Evaluated the adequacy of disclosures on provisions and contingencies made in the financial statements.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises of reports such as Board's Report and Business Responsibility Report (but does not include the standalone financial statements and our auditors' report thereon) which we obtained prior to the date of this Auditor's report, and the remaining sections of Annual report, which are expected to be made available to us after that date.

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 on the other information that we obtained prior to the date of this Auditor's Report, 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.

When we read the remaining sections of the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the applicable laws and regulations.

Management's and Board of Directors' 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

Independent Auditors' Report

To the Members of Redington (India) Limited

other irregularities; selection and application of appropriate accounting policies; making judgment sand estimates that are reasonable and prudent; and design, implementation and maintenance fad equate internal financial controls that were operating effectively for ensuring 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, the 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's 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 in the standalone financial statements made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors 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 for 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 branch 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 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.

Independent Auditors' Report

To the Members of Redington (India) Limited

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 Matters

We did not audit the standalone financial statements of a foreign branch included in the standalone financial statements of the Company whose standalone financial statements reflect total assets of INR 188.99 crores as at March 31, 2021 and the total revenue of INR 297.04 crores and net cash inflows of INR 35.32 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 the 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 has been audited by branch auditors under the 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 it relates to the balances and affairs of such branch located outside India is based on the report of the 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.

2. (A) As required by Section 143(3) of the Act, based on our audit and on consideration of reports of the branch auditors on separate financial statements of the branch as were audited by branch auditors, as noted in '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 theInd AS specified under section 133 of the Act.

   f) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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:

Independent Auditors' Report

To the Members of Redington (India) Limited

i. The Company has disclosed the impact of pending litigations as at March 31, 2021 on its financial position in its standalone financial statements - Refer Note 37 and 47 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 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended March 31, 2021.

(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 Registration No. 101248W/W-100022

S Sethuraman
Partner
Membership No.: 203491
UDIN: 21203491AAAADM2805

Place: Chennai
Date: May 27, 2021

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 and investment properties.

(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 explanations 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.

In respect of immovable properties taken on lease and disclosed as right-of-use assets in the standalone financial statements, the lease agreements are 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 granted unsecured loans to one Indian subsidiary company covered in the register maintained under section 189 of the Act. The Company has not granted any loans, secured or unsecured, to firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act.

(a) According to the information and explanations given to us, we are of the opinion that the rate of interest and other terms and conditions of unsecured loans granted by the Company to the subsidiary covered in the register required to be maintained under Section 189 of the Act are not, prima facie, prejudicial to the interest of the Company.

(b) According to the information and explanations given to us, the unsecured loans granted to the subsidiary and the interest thereon are repayable as per contractual terms of the loan arrangements. The borrower has been regular in payment of principal and interest as per the contractual terms.

(c) There are no overdue amounts of more than 90 days in respect of the unsecured loans granted to subsidiary by the Company.

(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, 2021.

(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 generally 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, 2021 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, service tax, duty of customs andvalue 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.

(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) According to the information and explanations given to us, the Company has applied the money raised by way of debt instruments in the nature of commercial papers for the purposes for which those are raised. The Company did not raise any money by way of initial public offer or further public offer or by way of term loans during the year.

Annexure A to the Independent Auditors' Report

To the Members of Redington (India) Limited

(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, 2021 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 Registration No. 101248W/W-100022

S Sethuraman
Partner
Membership No.: 203491
UDIN: 21203491AAAADM2805

Place: Chennai
Date: May 27, 2021

Annexure B to the Independent Auditors' Report

on the standalone financial statements of Redington (India) Limited for the year ended March 31, 2021

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 standalone financial statements of Redington (India) Limited ("the Company") as of March 31, 2021 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, 2021, 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 standalone 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 standalone 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 Registration No. 101248W/W-100022

S Sethuraman
Partner
Membership No.: 203491
UDIN: 21203491AAAADM2805

Place: Chennai
Date: May 27, 2021

Redington
SEAMLESS PARTNERSHIPS

Appendix I to the Independent Auditors' Report

To the Members of Redington (India) Limited

Details of 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
		Deputy Commissioner, Delhi	2014-15	0.31	0.31
		Maharashtra Sales Tax Tribunal	2014-15	0.12	0.11
		Joint Commissioner (Appeals), Mumbai	2010-11, 2012-13, 2013-14 and 2015-16	5.07	4.51
		Deputy Commissioner (Appeals), Gujarat	2016-17	0.28	0.22
		Deputy Commissioner (Appeals), Mumbai	2012-13, 2013-14, 2014-15, 2015-16 and 2016-17	5.98	1.70
Sales tax / VAT	West Bengal Value Added Tax Act, 2003	West Bengal Taxation Tribunal, Kolkata	2002-03	0.37	-
	Uttar Pradesh VAT Act, 2008	Additional Commissioner (Appeals), Lucknow	2005-06	0.01	0.01
		Joint Commissioner (Appeals), Lucknow	2007-08 and 2015-16	0.03	-
	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, 2013-14, 2014-15and 2015-16	2.20	1.80
	Rajasthan Value Added Tax Act, 2003	Tax Board, Jaipur	2009-10, 2010-11, 2011-12, 2012-13, 2013-14, 2014-15 and 2015-16	0.27	-
	Rajasthan Value Added Tax Act, 2003	High court, Jaipur	2009-10, 2010-11, 2011-12 and 2012-13	1.61	-
	Jharkhand Value Added Tax Act, 2005	Deputy Commissioner (Appeals), Ranchi	2009-10, 2011-12, 2012-13 and 2014-15	0.38	0.38

Appendix I to the Independent Auditors' Report

To the Members of Redington (India) Limited

Details of 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 (inINR crores)	Amounts unpaid (inINR crores)*
Sales tax / VAT	Bihar Value Added Tax Act, 2005	Joint Commissioner (Appeals), Patna	2009-10, 2010-11, 2011-12 and 2012-13	0.65	0.07
	Karnataka Value Added Tax Act, 2003	Sales tax Appellate Tribunal, Bangalore	2014-15	0.72	0.50
		Joint Commissioner (Appeals), Bangalore	2013-14	0.69	0.48
	Maharashtra Value Added Tax Act, 2002	Deputy Commissioner (Appeals), Mumbai	2011-12, 2012-13, 2013-14, 2014-15, 2015-16 and 2016-17	10.60	7.02
		Maharashtra Sales Tax Tribunal	2014-15	12.54	11.92
		Joint Commissioner (Appeals), Mumbai	2012-13, 2013-14 and 2015-16	37.46	35.83
	Orissa Value Added Tax Act, 2004	Joint Commissioner (Appeals) Cuttack	2015-16	0.14	0.11
	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, 2015-16 and 2016-17	2.19	1.75
Duty of customs	Customs Act, 1962	CESTAT	October 2013 to Jan 2017	23.10	23.10
		CESTAT, Delhi	July 2014 to June 2017	17.18	17.18
		Commissioner of customs, Chennai	March 2018 to December 2020	4.10	4.10
Service tax	The Finance Act, 1994	Supreme Court	October 2009 to September 2014	12.60	12.60
Income tax	Income-tax Act, 1961	CIT Appeals	2016-17 and 2017-18	1.55	-
		High court of Madras**	2006-07, 2007-08, 2010-11 and 2011-12	12.99	9.86
	Income-tax Act, 1961	Income-tax Appellate Tribunal**	2006-07 and 2007-08	0.32	-

* Net of amount paid under protest.

** During the year, the Company filed VSV applications for settlement of these disputes, in respect of which the approval from income tax authorities were received subsequent to the balance sheet date.

Redington
SEAMLESS PARTNERSHIPS

Standalone Balance Sheet as at March 31, 2021

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

Particulars	Note	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-current assets			
Property, Plant and Equipment	4	24.22	28.22
Right-of-use assets	5	20.36	23.24
Investment property	6	49.12	51.81
Intangible assets	7	26.78	36.26
Financial assets			
Investments in subsidiaries & associate	8	639.98	644.67
Other financial assets	9	2.58	2.68
Deferred tax assets (net)	10	16.09	18.10
Income tax assets (net)	11	99.18	130.35
Other non-current assets	12	75.81	72.89
Total non-current assets		**954.12**	**1,008.22**
Current assets			
Inventories	13	1,060.68	1,118.38
Financial assets			
Trade receivables	14	2,813.80	2,805.58
Cash and cash equivalents	15	303.45	617.33
Other bank balances	16	0.21	0.25
Loans	17	20.00	-
Other financial assets	18	28.08	46.71
Other current assets	19	81.04	117.19
Total current assets		**4,307.26**	**4,705.44**
Asset held for sale		0.10	-
Total assets		**5,261.48**	**5,713.66**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	20	77.84	77.82
Other equity	21	1,989.89	1,723.97
Total equity		**2,067.73**	**1,801.79**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Lease liabilities	23	14.23	17.14
Provisions	24	26.00	26.14
Total non-current liabilities		**40.23**	**43.28**

Standalone Balance Sheet as at March 31, 2021

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

Particulars	Note	As at March 31, 2021	As at March 31, 2020
Current liabilities			
Financial liabilities			
Borrowings	25	0.99	1,172.30
Lease liabilities	23	7.27	10.37
Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises		4.49	34.24
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	26	2,741.40	2,268.91
Other financial liabilities	27	137.03	140.15
Other current liabilities	28	198.00	197.07
Provisions	29	3.32	2.36
Current tax liabilities (net)	11	61.02	43.19
Total current liabilities		**3,153.52**	**3,868.59**
Total equity and liabilities		**5,261.48**	**5,713.66**

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
Firm Registration No. 101248W/W-100022

S Sethuraman
Partner
Membership No.: 203491
Place: Chennai

Date: May 27, 2021

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

Raj Shankar
Vice Chairman and Managing Director
(DIN-00238790)
Place: Singapore

S V Krishnan
Chief Financial Officer and Whole-time Director
(DIN-07518349)
Place: Chennai

Ramesh Natarajan
Chief Executive Officer India Distribution Business
Place: Chennai

M Muthukumarasamy
Company Secretary
Place: Chennai

Standalone Statement of Profit and Loss for the year ended March 31, 2021

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

Particulars	Note	Year Ended March 31, 2021	Year Ended March 31, 2020
Income			
Revenue from operations	30	22,720.67	18,632.57
Other income	31	71.07	373.84
Total income		**22,791.74**	**19,006.41**
Expenses			
Purchases of traded goods		21,805.20	17,459.16
Changes in inventories of traded goods		57.70	414.59
Employee benefits expense	32	152.18	144.19
Finance costs	33	42.43	104.81
Depreciation and amortisation expense	34	27.83	26.22
Other expenses	35	238.68	231.64
Total expenses		**22,324.02**	**18,380.61**
Profit before tax		**467.72**	**625.80**
Tax expense			
Current tax		113.80	130.18
Deferred tax		1.60	6.02
Tax expenses in respect of earlier years	47	88.99	-
Total tax expense	11	**204.39**	**136.20**
Profit for the year (A)		**263.33**	**489.60**

Standalone Statement of Profit and Loss for the year ended March 31, 2021

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

Particulars	Note	Year Ended March 31, 2021	Year Ended March 31, 2020
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Re-measurements of defined benefit liability		2.38	(5.00)
Income tax relating to the above		(0.60)	0.07
Net other comprehensive income that will not be reclassified to profit or loss		**1.78**	**(4.93)**
Items that will be reclassified subsequently to profit or loss			
Exchange differences in translating financial statements of foreign operation		(0.76)	1.69
Income tax relating to the above		0.19	-
Net other comprehensive income that will be reclassified to profit or loss		**(0.57)**	**1.69**
Total other comprehensive income (B)		**1.21**	**(3.24)**
Total comprehensive income for the year (A+B)		**264.54**	**486.36**
Earnings per equity share: (Face value ₹ 2 each)			
Basic (in ₹)	36	6.77	12.58
Diluted (in ₹)		6.75	12.58

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
Firm Registration No. 101248W/W-100022

S Sethuraman
Partner
Membership No.: 203491
Place: Chennai

Date: May 27, 2021

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

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Vice Chairman and Managing Director
(DIN-00238790)
Place: Singapore

S V Krishnan
Chief Financial Officer and Whole-time Director
(DIN-07518349)
Place: Chennai

Ramesh Natarajan
Chief Executive Officer India Distribution Business
Place: Chennai

M Muthukumarasamy
Company Secretary
Place: Chennai

Redington
SEAMLESS PARTNERSHIPS

Standalone Statement of Cash Flows for the year ended March 31, 2021

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

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
A. Cash flow from operating activities:		
Profit for the year after tax	**263.33**	**489.60**
Adjustments for:		
- Income tax expense recognised in profit and loss	204.39	136.20
- Depreciation and amortisation expense	27.83	26.22
- Finance costs	42.43	104.81
- Interest income	(23.96)	(1.26)
- Stock compensation expenses	1.58	4.43
- Allowance for impairment of trade receivables and other financial assets	16.79	47.51
- Dividend from subsidiaries	-	(350.35)
- Income from short term investments	(1.69)	(2.37)
- Gain on disposal of a subsidiary	(26.10)	-
- Unrealised exchange (gain)/ loss (net)	1.06	(3.85)
- Gain on sale of property, plant and equipment (net)	(1.70)	(0.75)
- Gain on modification of leases	(1.53)	-
Operating profit before working capital changes	**502.43**	**450.19**
(Increase) in trade receivables	(28.67)	(450.25)
Decrease in inventories	57.70	414.59
Decrease in other assets	31.38	29.74
Increase/(Decrease) in trade payables	458.40	(100.66)
Increase in provisions	3.20	3.39
(Decrease)/Increase in other liabilities	(0.65)	8.45
Cash generated from operations	**1,023.79**	**355.45**
Income taxes paid (net)	(153.79)	(115.76)
Net cash generated from operating activities	**870.00**	**239.69**
B. Cash flow from investing activities:		
Payments for property, plant and equipment	(4.67)	(15.80)
Payments for intangible assets	(1.08)	(16.33)
Proceeds from sale of property, plant and equipment	2.22	1.10
Interest received	23.96	1.76
Dividend received from subsidiaries	-	350.35
Income received from short term investments	1.69	2.37
Loans given to subsidiaries and associate	(42.00)	(33.10)
Loans settled by subsidiaries and associate	22.00	58.20
Proceeds from disposal of subsidiary (net of directly attributable expenses)	30.60	-
Net cash generated from investing activities	**32.72**	**348.55**

Standalone Statement of Cash Flows for the year ended March 31, 2021

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

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
C. Cash flow from financing activities:		
Proceeds from short term borrowings (net)	(445.79)	1,187.15
Repayment of short term borrowings	(715.95)	(863.16)
Repayment of long term borrowings	-	(2.42)
Proceeds from allotment of shares under Stock Appreciation Right Scheme, 2017/ Employee Stock Option Plan, 2008	0.02	0.05
Dividends paid (including dividend distribution tax)	-	(295.70)
Payment of lease liabilities	(10.78)	(10.81)
Finance costs paid	(44.10)	(102.81)
Net cash used in financing activities	**(1,216.60)**	**(87.70)**
Net increase/(decrease) in cash and cash equivalents	**(313.88)**	**500.54**
Cash and cash equivalents at the beginning of the year	**617.33**	**116.79**
Cash and cash equivalents at the end of the year	**303.45**	**617.33**

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
Firm Registration No. 101248W/W-100022

S Sethuraman
Partner
Membership No.: 203491
Place: Chennai

Date: May 27, 2021

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

Raj Shankar
Vice Chairman and Managing Director
(DIN-00238790)
Place: Singapore

S V Krishnan
Chief Financial Officer and Whole-time Director
(DIN-07518349)
Place: Chennai

Ramesh Natarajan
Chief Executive Officer India Distribution Business
Place: Chennai

M Muthukumarasamy
Company Secretary
Place: Chennai

Standalone Statement of Changes in Equity for the year ended March 31, 2021

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

Particulars	Equity share capital	Other Equity							Total equity
		Reserves and surplus					Items of OCI		
		Securities premium	General reserve	Capital redemption Reserve	Stock compensation reserve	Surplus in the statement of profit and loss	Foreign currency translation reserve	Re-measurement of defined benefit liability	
Balance at April 1, 2019	77.82	220.75	88.08	2.22	21.46	1,200.87	0.55	(7.81)	1,603.94
Less: Adjustment on initial application of Ind AS 116 (net of taxes)	-	-	-	-	-	(3.50)	-	-	(3.50)
Adjusted opening balance as at April 1, 2019	77.82	220.75	88.08	2.22	21.46	1,197.37	0.55	(7.81)	1,600.44
Add: Profit for the year	-	-	-	-	-	489.60	-	-	489.60
Less: Other comprehensive income for the year (net of taxes)	-	-	-	-	-	-	1.69	(4.93)	(3.24)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**489.60**	**1.69**	**(4.93)**	**486.36**
Add: Allotment of shares under Employee Stock Option Plan, 2008	0.00	0.05		-	-	-	-	-	0.05
Add: Stock compensation expenses	-	-	-	-	10.64	-	-	-	10.64
Less: FY 2018-19 Final dividend paid at ₹3.30 per share	-	-	-	-	-	(128.40)	-	-	(128.40)
Less: First interim dividend paid ₹1.50 per share						(58.36)			(58.36)
Less: Second interim dividend paid ₹2.80 per share						(108.94)			(108.94)
Less: Dividend distribution tax on dividends paid	-	-	-	-	-	(60.78)	-	-	(60.78)
Add: Dividend distribution tax credit on account of dividends received from subsidiaries	-	-	-	-	-	60.78	-	-	60.78
Balance at March 31, 2020	**77.82**	**220.80**	**88.08**	**2.22**	**32.10**	**1,391.27**	**2.24**	**(12.74)**	**1,801.79**

Standalone Statement of Changes in Equity for the year ended March 31, 2021

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

Particulars	Equity share capital	Other Equity							Total equity
		Reserves and surplus					Items of OCI		
		Securities premium	General reserve	Capital redemption Reserve	Stock compensation reserve	Surplus in the statement of profit and loss	Foreign currency translation reserve	Re-measurement of defined benefit liability	
Balance at April 1, 2020	77.82	220.80	88.08	2.22	32.10	1,391.27	2.24	(12.74)	1,801.79
Add: Profit for the year	-	-	-	-	-	263.33	-	-	263.33
Less: Other comprehensive income for the year (net of taxes)	-	-	-	-	-	-	(0.57)	1.78	1.21
Total comprehensive income for the year	-	-	-	-	-	**263.33**	**(0.57)**	**1.78**	**264.54**
Add: Allotment of shares under Stock Appreciation Right Scheme, 2017	0.02	2.51	-	-	(2.51)	-	-	-	0.02
Add: Stock compensation expenses	-	-	-	-	1.38	-	-	-	1.38
Balance at March 31, 2021	**77.84**	**223.31**	**88.08**	**2.22**	**30.97**	**1,654.60**	**1.67**	**(10.96)**	**2,067.73**

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
Firm Registration No. 101248W/W-100022

S Sethuraman
Partner
Membership No.: 203491
Place: Chennai

Date: May 27, 2021

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

Raj Shankar
Vice Chairman and Managing Director
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Place: Singapore

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Chief Financial Officer and Whole-time Director
(DIN-07518349)
Place: Chennai

Ramesh Natarajan
Chief Executive Officer India Distribution Business
Place: Chennai

M Muthukumarasamy
Company Secretary
Place: Chennai

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 Redington House, Centre Point, Plot No. 11 (SP), Thiru Vi Ka Industrial Estate, Guindy, Chennai 600 032, Tamil Nadu, India. The Company's equity shares are listed on the bourses of BSE Limited and National Stock Exchange of India Limited. During the year, the Company's commercial papers were also listed on the bourses of BSE Limited. The Company is engaged in the business of distribution of information technology, mobility and other technology products besides supply chain solutions. The Company has an operating branch in Singapore. The Company, its subsidiaries and associate operate in India, Middle East, Turkey, Africa, and South Asian countries.

2. Basis of preparation of standalone financial statements

a. Statement of compliance

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

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.

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

d. Use of estimates and judgements

Estimation of uncertainties relating to the global health pandemic from COVID-19

In March 2020, the World Health Organisation declared COVID-19 to be a pandemic. A year later, as the country navigates the second wave of COVID-19, the Company continues to adopt measures to curb the spread of infection to protect the health of its employees and ensure business continuity. The Company has considered internal and external information and has performed analysis based on current estimates by assessing the recoverability of assets including trade receivables, inventories and other current / non-current assets (net of provisions established) and impact on its leases for any possible effect on the standalone financial statements.

The Company has also assessed the impact of this whole situation on its capital and financial resources, profitability, liquidity position, internal financial controls etc., and is of the view that based on its present assessment; the impact of COVID-19 does not materially affectthe standalone financial statements of the Company. The Company will continue to closely monitor any material changes to future economic conditions due to the ongoing pandemic.

Other 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 revenue recognition, useful lives of property, plant and equipment, income taxes, stock appreciation rights, inventory obsolescence, original equipment manufacturer ("OEM") supplier programs and impairment of financial assets have been discussed here.

i. Revenue recognition

The Company has assessed its revenue arrangements based on substance of the transaction and business model against specific criteria to determine if it is acting as principal or agent.

ii. 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

Notes to the standalone financial statements for the year ended March 31, 2021

physical wear and tear, the repair and maintenance program and technological obsolescence arising from changes and the residual value.

iii. Taxation

Significant judgements are involved in determining the provision for income taxes and contingencies. Judgments are also involved on whether the tax positions are probable of being sustained in tax assessments and in determining the likelihood and magnitude of outflow of resources.

iv. Stock appreciation rights

Compensation costs in respect of stock appreciation rights (SAR) granted during the earlier years 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 46.

v. 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 changesin demand, rapid technological changes, product life cycle, product pricing, physical deterioration and other issues. Revisions to these adjustments would be required if these factors differ from the estimates.

vi. 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 or carrying value of inventories. 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 or carrying value of inventories. Actual rebates may vary based on volume or other sales achievement levels, which may result in an increase or reduction in the estimated amounts previously accrued.

vii. Impairment of financial assets

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.

e. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There are no new standards or amendments to existing standards which are applicable from April 1, 2021. However, MCA issued notifications dated March 24, 2021 to amend Schedule III to the Companies Act, 2013 to enhance the disclosures required to be made by the Company in its financial statements. These amendments are applicable to the Company for the financial year starting April 1, 2021. The Company is evaluating the impact of such amendments to Schedule III on its financial statements.

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 disposal 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 the statement of profit and loss.

Freehold land is not depreciated. The estimated useful lives of items of property, plant and equipment are as follows:

Asset	Management estimate of useful life
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 method, estimated useful life and residual value are reviewed at the end of each financial year.

vii. Reclassification to investment property:

When the use of the property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

b. Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the supply of goods and services or for administrative purposes. Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Investment properties are depreciated 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 and is recognised in the statement of profit and loss. Freehold land is not depreciated.The estimated useful lives of items of investment properties are as follows:

Asset	Management estimate of useful life
Buildings	10 - 20

The depreciation method, estimated useful life and residual value are reviewed at the end of each financial year.

Gains or losses arising from disposal of investment property is 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.

c. 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 costs associated in developing the intangible assets are capitalized when the following criteria are met, otherwise, it is recognised in profit and loss as incurred.

- 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 put it to use,
- there is ability to use the intangible asset,
- there is an identifiable asset that will generate expected future economic benefits and
- 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:

Asset	Management estimate of useful life
Buildings	3-5
Plant and machinery	5

iv. The estimated useful life of the intangible assets is reviewed at the end of each financial year and the amortization method 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.

Notes to the standalone financial statements for the year ended March 31, 2021

d. Impairment of property, plant and equipment, investment property and intangible assets

Property, plant and equipment, investment property 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 is 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 assets of the CGU on a pro rata basis.

In respect of property, plant and equipment, investment property and intangible assets for which impairment loss has been recognised in prior periods, if any, 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.

e. Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources that reflects the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in –substance fixed lease payment.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets and lease liabilities separately on the face of the balance sheet.

Short-term leases

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

As a lessor

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'Other income' or 'Revenue from operations'.

f. Investments

Investments in subsidiaries and associate are accounted at cost less accumulated impairment loss, if any.

g. 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 estimated costs necessary to make the sale.

h. Foreign currency

i. Foreign currency transactions

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

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

ii. Foreign branch operations

Transactions of branch operations are translated into INR, the functional currency of the Company, at the exchange rate at the 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.

i. Revenue recognition

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.

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 from services is recognised overperiod of time and in the accounting period in which the services are rendered.

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.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty. The Company has assessed its revenue arrangements based on substance of the transaction and business model against specific criteria to determine if it is acting as principal or agent.

Rental income from investment property is recognized as part of revenue from operations in the statement of profit and loss on a straight-line basis over the term of the lease.

j. 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.

Notes to the standalone financial statements for the year ended March 31, 2021

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.

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.

k. 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.

l. 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 hence management considers that any provision for warranties or claims is not required.

m. Employee share-based payments

Equity-settled share-based payments are measured at fair value on the grant date and are recognised as an 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.

n. Current and deferred tax

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in the statement of profit and loss, 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 tax rates which 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 enacted or substantively enacted by the reporting date 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 for financial reporting purpose and the corresponding amounts used for taxation purposes. 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 liabilities and assets, and they relate to income taxes levied by the same taxation authority on the same taxable entity, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

o. 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.

Contingent liability is disclosed for all:

i. possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the 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.

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

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.

q. 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.

r. 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.

s. 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.

t. Fair value measurement

Some of the Company's accounting policies or disclosures require the measurement of fair value 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 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, then 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.

u. 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 recognised as gain or loss 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 gets expired. 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 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 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.

v. 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.

w. 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 expenses in the period in which they are incurred.

4. Property, plant and equipment

₹ in Crores

Description	Gross carrying value					Accumulated depreciation					Net carrying value	
	As at Apr 1, 2020	Additions	Transfer to IP*	Deletions	As at Mar 31, 2021	As at Apr 1, 2020	For the year	Transfer to IP*	Deletions	As at Mar 31, 2021	As at Mar 31, 2021	As at Mar 31, 2020
Land (Freehold)												
Current year	4.45	-	-	-	4.45	-	-	-	-	-	4.45	4.45
Previous year	17.84	-	13.39	-	4.45	-	-	-	-	-	4.45	17.84
Buildings												
Current year	6.45	0.02	-	0.10	6.37	2.29	0.37	-	-	2.66	3.71	4.16
Previous year	57.73	-	51.28	-	6.45	12.01	2.01	11.73	-	2.29	4.16	45.72
Plant and machinery												
Current year	8.07	0.10	-	0.06	8.11	5.53	0.83	-	0.06	6.30	1.81	2.54
Previous year	8.05	0.16	-	0.14	8.07	4.71	0.89	-	0.07	5.53	2.54	3.34
Furniture and fixtures												
Current year	13.02	0.09	-	0.88	12.23	10.28	0.78	-	0.65	10.41	1.82	2.74
Previous year	12.89	0.13	-	-	13.02	8.99	1.29	-	-	10.28	2.74	3.90
Office equipment												
Current year	9.74	0.01	-	0.12	9.63	6.18	1.44	-	0.10	7.52	2.11	3.56
Previous year	9.35	0.41	-	0.02	9.74	4.77	1.43	-	0.02	6.18	3.56	4.58
Computers												
Current year	16.32	2.31	-	0.70	17.93	10.63	2.83	-	0.65	12.81	5.12	5.69
Previous year	11.49	5.09	-	0.26	16.32	7.95	2.91	-	0.23	10.63	5.69	3.54
Vehicles												
Current year	9.77	2.14	-	2.16	9.75	4.69	1.83	-	1.97	4.55	5.20	5.08
Previous year	8.62	2.21	-	1.06	9.77	3.70	1.81	-	0.82	4.69	5.08	4.92
Property, plant and equipment total												
Current year	**67.82**	**4.67**	**-**	**4.02**	**68.47**	**39.60**	**8.08**	**-**	**3.43**	**44.25**	**24.22**	**28.22**
Previous year	**125.97**	**8.00**	**64.67**	**1.48**	**67.82**	**42.13**	**10.34**	**11.73**	**1.14**	**39.60**	**28.22**	**83.84**

*During the previous year, certain land and buildings were reclassified from property, plant and equipment to investment property (IP) as the properties were no longer used by the Company and were fully leased out to its subsidiary company, ProConnect Supply Chain Solutions Limited.

Notes to the standalone financial statements for the year ended March 31, 2021

5. Right-of-use assets

The Company leases assets in the nature of buildings and office equipment. The leases typically run for a period of 1 to 10 years.

The summary of the movement of right-of-use assets for the year ended March 31, 2021 is given below:

₹ in Crores

Particulars	Buildings	Office equipment	Total
Balance at April 1, 2020	21.02	2.22	23.24
Depreciation charge for the year	(7.00)	(0.60)	(7.60)
Additions to right-of-use assets	17.24	-	17.24
De-recognition of right-of-use assets	(12.52)	-	(12.52)
Balance at March 31, 2021	**18.74**	**1.62**	**20.36**

The summary of the movement of right-of-use assets for the year ended March 31, 2020 is given below:

₹ in Crores

Particulars	Buildings	Office equipment	Total
Balance at April 1, 2019 on transition to Ind AS 116	22.57	2.64	25.21
Depreciation charge for the year	(7.52)	(0.44)	(7.96)
Additions to right-of-use assets	5.97	0.02	5.99
Balance at March 31, 2020	**21.02**	**2.22**	**23.24**

6. Investment property

a. Reconciliation of carrying amount

₹ in Crores

Description	Gross carrying value					Accumulated depreciation				Net carrying value		Fair value disclosure	
	As at Apr 1, 2020	Additions	Transfer from PPE	Deletions	As at Mar 31, 2021	As at Apr 1, 2020	For the year	Deletions	As at Mar 31, 2021	As at Mar 31, 2021	As at Mar 31, 2020	As at Mar 31, 2021	As at Mar 31, 2020
Land (Freehold)													
Current year	13.39	-	-	-	13.39	-	-	-	-	13.39	13.39	40.07	25.30
Previous year	-	-	13.39	-	13.39	-	-	-	-	13.39	-	25.30	-
Buildings													
Current year	39.55	-	-	-	39.55	1.13	2.69		3.82	35.73	38.42	41.06	43.90
Previous year	-	-	39.55	-	39.55	-	1.13	-	1.13	38.42	-	43.90	-
Investment property total													
Current year	**52.94**	**-**	**-**	**-**	**52.94**	**1.13**	**2.69**	**-**	**3.82**	**49.12**	**51.81**	**81.13**	**69.20**
Previous year	**-**	**-**	**52.94**	**-**	**52.94**	**-**	**1.13**	**-**	**1.13**	**51.81**	**-**	**69.20**	**-**

b. Disclosure of fair values

The fair value of the investment property has been determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

The fair value measurement for all the investment property has been categorised as a Level 3 fair value based on the inputs to the valuation technique used. The valuation techniques of sales comparable method and depreciated replacement cost method were used to arrive at the market value of the properties.

7. Intangible assets

₹ in Crores

Description	Gross carrying value				Accumulated depreciation				Net carrying value	
	As at Apr 1, 2020	Additions	Deletions	As at Mar 31, 2021	As at Apr 1, 2020	For the year	Deletions	As at Mar 31, 2021	As at Mar 31, 2021	As at Mar 31, 2020
Software										
Current year	43.34	-	0.17	43.17	7.88	9.30	0.15	17.03	26.14	35.46
Previous year	2.24	41.29	0.19	43.34	1.27	6.79	0.18	7.88	35.46	0.97
Trademark/Brand										
Current year	0.80	-	-	0.80	-	0.16	-	0.16	0.64	0.80
Previous year	-	0.80	-	0.80	-	-	-	-	0.80	-
Intangible assets total										
Current year	**44.14**	**-**	**0.17**	**43.97**	**7.88**	**9.46**	**0.15**	**17.19**	**26.78**	**36.26**
Previous year	**2.24**	**42.09**	**0.19**	**44.14**	**1.27**	**6.79**	**0.18**	**7.88**	**36.26**	**0.97**

Notes to the standalone financial statements for the year ended March 31, 2021

8. Investment in subsidiaries and associate

Unquoted investments (at cost)

Investment in Indian subsidiaries

₹ in Crores

Name of the entity	March 31, 2021	March 31, 2020
9,081,465 (previous year: 9,081,465) equity shares of ₹ 10/- each fully paid-up in ProConnect Supply Chain Solutions Limited	44.55	44.55
Nil (previous year: 4,500,000) equity shares of ₹ 10/- each fully paid-up in Ensure Support Services (India) Limited*	-	4.50
Total	**44.55**	**49.05**

*The Company disposed of its interest in Ensure Support Services (India) Limited, a wholly owned subsidiary of the Company to Accel Limited on July 31, 2020 for a consideration of ₹ 31 Crores. The sale was approved by the Board of directors of the Company at their meeting held on July 30, 2020 (Also refer note 31 for the gain on disposal of subsidiary).

Investment in overseas subsidiaries

₹ in Crores

Name of the entity	March 31, 2021	March 31, 2020
27,668,025 (previous year: 27,668,025) equity shares of US$ 1 each fully paid-up in Redington International Mauritius Limited	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**

Investment in associate

₹ in Crores

Name of the entity	March 31, 2021	March 31, 2020
100,000 (previous year: 100,000) equity shares of ₹10/- each fully paid-up in Redington (India) Investments Limited	0.10	0.10

Stock Appreciation Rights (SAR)

The Company has included fair value of the Stock Appreciation Rights (Stock compensation expense) as Investments, in respect of the Stock Appreciation Rights granted to the Directors and employees of Indian and overseas subsidiaries, as required under Ind AS 102 *"Share-based payment"*.

Stock Appreciation Rights (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, 2021	March 31, 2020
ProConnect Supply Chain Solutions Limited	5.33	4.94
Ensure Support Services (India) Limited (Up to July 31, 2020)	-	0.39
Redington International Mauritius Limited	10.91	10.95
Redington Distribution Pte. Ltd.	0.52	0.67
Total	**16.76**	**16.95**
Total investments	**639.98**	**644.67**
Aggregate value of unquoted investments	**639.98**	**644.67**
Aggregate amount of impairment in value of investments	**-**	**-**

Notes to the standalone financial statements for the year ended March 31, 2021

9. Other financial assets – non-current

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Unsecured, considered good		
Deposits	2.58	2.68

10. Deferred tax assets (net)

Recognised deferred tax assets (net)

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Deferred Tax Assets/(Deferred Tax Liabilities)		
Allowance for impairment of trade receivables and other financial assets	8.14	10.67
Provision for gratuity	5.38	5.28
Leases (net)	0.27	1.07
Provision for compensated absences	2.00	1.89
Depreciation	(0.08)	(0.31)
Others	0.38	(0.50)
Total	**16.09**	**18.10**

Movement in temporary differences

a. For the year ended March 31, 2021

₹ in Crores

Particulars	Balance as on April 1, 2020	Recognized in equity	Recognized in the statement of profit and loss	Recognized in the other comprehensive income	Balance as on March 31, 2021
Deferred tax assets (net)					
Allowance for impairment of trade receivables	10.67	-	(2.53)	-	8.14
Provision for gratuity	5.28	-	0.70	(0.60)	5.38
Leases (net)	1.07	-	(0.80)	-	0.27
Provision for compensated absences	1.89	-	0.11	-	2.00
Depreciation	(0.31)	-	0.23	-	(0.08)
Others	(0.50)	-	0.69	0.19	0.38
Total	**18.10**	**-**	**(1.60)**	**(0.41)**	**16.09**

b. For the year ended March 31, 2020

₹ in Crores

Particulars	Balance as on April 1, 2019	Recognized in equity	Recognized in the statement of profit and loss	Recognized in the other comprehensive income	Balance as on March 31, 2020
Deferred tax assets (net)					
Allowance for impairment of trade receivables and other financial assets	14.44	-	(3.77)	-	10.67
Provision for gratuity	6.22	-	(1.01)	0.07	5.28
Leases (net)	-	1.17	(0.10)	-	1.07
Provision for compensated absences	1.84	-	0.05	-	1.89
Depreciation	0.37	-	(0.68)	-	(0.31)
Others	-	-	(0.50)	-	(0.50)
Total	**22.87**	**1.17**	**(6.01)**	**0.07**	**18.10**

Notes to the standalone financial statements for the year ended March 31, 2021

Unrecognised deferred tax assets

Consequent to the sale of the Company's investment in its wholly owned subsidiary Easy access 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 ₹ 15.16 crores. Out of this, ₹ 2.49 crores was recognized against realized long term capital gain in an earlier year and ₹ 5.97 crores adjusted during the financial year 2020-21. The balance deferred tax asset of ₹ 6.70 crores will be recognized as and when there is a long term capital gain in the future. These unrecognized deferred tax assets will expire over a period of 1 to 5 years.

11. Income taxes

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Income tax assets (net)	99.18	130.35
Current tax liabilities (net)	61.02	43.19

Movement in income tax assets (net)

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Balance at the beginning of the year	**130.35**	**101.58**
Add: Taxes paid/(refunds) (net)	(31.17)	28.77
Balance at the end of the year	**99.18**	**130.35**

Movement in current tax liabilities (net)

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Balance at the beginning of the year	**43.19**	**-**
Add: Provision during the year	202.79	130.18
Less: Taxes paid (net)	(184.96)	(86.99)
Balance at the end of the year	**61.02**	**43.19**

Tax expense recognised during the year

₹ in Crores

Particulars	2020-21		2019-20	
	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	113.80	-	130.18	-
Deferred tax	1.60	0.41	6.02	(0.07)
Tax expense in respect of earlier years (Refer note 47)	88.99	-	-	-
Total tax expenses	**204.39**	**0.41**	**136.20**	**(0.07)**

Reconciliation of effective tax rate

₹ in Crores

Particulars	2020-21	2019-20	2020-21	2019-20
	Effective tax rate		Tax expense	
Profit before tax			467.72	625.80
Income tax expense	25.17%	25.17%	117.72	157.50
Effect of other income (gain on disposal of subsidiary) not subject to tax due to offset with carry forward losses	(1.28%)	-	(5.97)	-
Effect of dividend income charged at a special rate	-	(4.22%)	-	(26.42)
Effect of exempted income	-	(0.13%)	-	(0.81)
Effect of tax incentives	-	(0.69%)	-	(4.34)
Effect of non-deductible expense and deductible claims	0.62%	0.57%	2.91	3.60
Effect of Chapter VIA deduction of Income-tax Act, 1961	-	(0.12%)	-	(0.73)

Notes to the standalone financial statements for the year ended March 31, 2021

₹ in Crores

Particulars	2020-21	2019-20	2020-21	2019-20
	Effective tax rate		Tax expense	
Effect of change in tax rates	-	0.68%	-	4.24
Effect of other items	0.16%	0.50%	0.74	3.16
Income tax expense recognized in statement of profit and loss*	**24.67%**	**21.76%**	**115.40**	**136.20**

*Income tax expense excludes tax expenses in respect of earlier years of ₹ 88.99 crores.

During the previous year, the Company elected to exercise the option of reduced income-tax rates permitted under section 115BAA of the Income tax Act, 1961, as introduced by the Taxation Laws (Amendment) Ordinance, 2019.

12. Other non-current assets

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Unsecured, considered good		
Receivable from Government authorities	75.81	72.89
Total	**75.81**	**72.89**

13. Inventories

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Trading stocks (net)	1,040.31	1,025.21
Goods in transit	20.37	93.17
Total	**1,060.68**	**1,118.38**

During the year ended March 31, 2021, the Company recorded inventory write back of ₹ 12.81 crores. (Previous year: inventory write down of ₹ 2.20 crores).

Also refer note 25(i).

14. Trade receivables

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Unsecured		
Considered good	2,813.80	2,805.58
Considered doubtful / credit impaired	21.69	32.88
	2,835.49	**2,838.46**
Less :- Allowance for doubtful/ credit impaired trade receivables	(21.69)	(32.88)
Total	**2,813.80**	**2,805.58**

Also refer note 25(i).

15. Cash and cash equivalents

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Cash on hand	0.05	0.13
Balance in current account	303.40	617.20
Cash and cash equivalents as per Balance Sheet	**303.45**	**617.33**
Cash and cash equivalents as per the statement of cash flows	**303.45**	**617.33**

Notes to the standalone financial statements for the year ended March 31, 2021

16. Other bank balances

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
a. In deposit account	0.05	0.05
b. In earmarked accounts		
Unclaimed dividend account	0.16	0.20
Total	**0.21**	**0.25**

17. Loans - current

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Unsecured, considered good		
Loans to related parties		
ProConnect Supply Chain Solutions Limited	20.00	-
Currents Technology Retail (India) Limited	-	6.90
Less: Loans written off	-	(6.90)
Total	**20.00**	**-**

The above loans were 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	2020-21	2019-20
ProConnect Supply Chain Solutions Limited	22.00	-
Currents Technology Retail (India) Limited	-	32.00

18. Other financial assets - current

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Unsecured, considered good		
Deposits	2.98	3.63
Other assets	34.74	53.03
Less: Allowance for impairment of other financial assets	(9.64)	(9.95)
Total	**28.08**	**46.71**

19. Other current assets

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Unsecured, considered good		
Receivable from Government authorities	51.85	78.50
Prepaid expenses	4.09	5.65
Others	25.10	33.04
Total	**81.04**	**117.19**

20. 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, 2021	March 31, 2020
Authorised capital 42,50,00,000 (previous year: 42,50,00,000) equity shares of ₹ 2/- each	85.00	85.00
Issued, subscribed and fully paid up 38,92,19,272 (previous year: 38,90,87,750) equity shares of ₹ 2/- each fully paid up	77.84	77.82

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

Particulars	2020-21		2019-20	
	No of shares	₹ in Crores	No of shares	₹ in Crores
At the beginning of the year	38,90,87,750	77.82	38,90,81,315	77.82
Allotment of shares under Employee Stock Option Plan, 2008	-	-	6,435	^
Allotment of shares under Stock Appreciation Right Scheme, 2017	1,31,522	0.02	-	-
Outstanding at the end of the year	**38,92,19,272**	**77.84**	**38,90,87,750**	**77.82**

^Represents value less than ₹ 0.01 crore.

Terms/rights attached to equity shares

Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian rupees.

For details of dividends declared subsequent to balance sheet date refer note 49.

Equity Share movement during 5 years preceding March 31, 2021

1,11,20,000 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.

The Company has not issued any bonus shares and has not issued any shares for which payment has been received by way of consideration other than cash.

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

Particulars	March 31, 2021		March 31, 2020	
	No of shares	% of Share	No of shares	% of Share
Synnex Mauritius Limited	9,42,95,940	24.23	9,42,95,940	24.24
Marina IV (Singapore) Pte.Ltd.	3,94,25,695	10.13	3,94,25,695	10.13
HDFC Trustee Company Limited	3,59,90,019	9.25	3,59,90,019	9.26

Shares reserved for issue under Stock Appreciation Right Scheme, 2017:

Particulars	March 31, 2021	March 31, 2020
Stock Appreciation Right Scheme, 2017*	38,86,300	66,75,900

*Represents outstanding number of SARs as at the respective year end. The number of shares that would be issued on conversion of the SARs is based on the terms of the Stock Appreciation Right Scheme, 2017. Refer note 46 for further details.

Notes to the standalone financial statements for the year ended March 31, 2021

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 andequity. The ratio of net debt to equity at the end of the year is as follows:

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Debt (refer note 25) – Current	0.99	1,172.30
Less: Cash and cash equivalents and other bank balances (refer note 15 and 16)	(303.66)	(617.58)
Net debt (a)	**(302.67)**	**554.72**
Total equity (refer note 20 and 21) (b)	**2,067.52**	**1,801.79**
Net debt equity ratio (a/b)	**(0.15)**	**0.31**

21. Other equity

a. Securities premium:

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Opening balance	220.80	220.75
Add: Premium on allotment of shares under Employee Stock Option Plan, 2008	-	0.05
Add: Premium on allotment of shares under Stock Appreciation Right Scheme, 2017	2.51	-
Balance at the end of the year	**223.31**	**220.80**

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

b. General reserve:

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Opening balance	88.08	88.08
Balance at the end of the year	**88.08**	**88.08**

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.

c. Capital Redemption Reserve:

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Opening balance	2.22	2.22
Balance at the end of the year	**2.22**	**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 of 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.

d. Re-measurement of defined benefit liability:

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Opening balance	(12.74)	(7.81)
Add: Movement during the year (net)	1.78	(4.93)
Balance at the end of the year	**(10.96)**	**(12.74)**

Retirement benefit obligation reserve represents accumulated balances of actuarial gains/ (losses), arising out of employee defined benefit obligation and will not be subsequently reclassified to Profit and Loss. This reserve is not a distributable reserve.

e. Foreign currency translation reserve:

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Opening balance	2.24	0.55
Add: Movement during the year (net)	(0.57)	1.69
Balance at the end of the year	**1.67**	**2.24**

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.

f. Stock compensation reserve:

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Opening balance	32.10	21.46
Add: Stock compensation expenses	1.38	10.64
Less: Transfer to securities premium on exercise of SAR	(2.51)	-
Balance at the end of the year	**30.97**	**32.10**

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 46.

g. Surplus in the statement of profit and loss:

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Opening balance	1,391.27	1,200.87
Less: Adjustment on initial application of Ind AS 116 (net of taxes)	-	(3.50)
Adjusted opening balance	1,391.27	1,197.37
Add: Profit for the year	263.33	489.60
Less: FY 2018-19 Final dividend paid in previous year at ₹ 3.30 per share	-	(128.40)
Less: First interim dividend paid in previous year at ₹ 1.50 per share	-	(58.36)
Less: Second interim dividend paid in previous year at ₹ 2.80 per share	-	(108.94)
Less: Dividend distribution tax on dividends paid	-	(60.78)
Add: Dividend distribution tax credit on account of dividends received from subsidiaries	-	60.78
Balance at the end of the year	**1,654.60**	**1,391.27**

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.

h. Share application money pending allotment

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Balance at the end of the year	^	-

^Represents value less than ₹ 0.01 crore. Refer note 22 for movement and details of share application money pending allotment.

Total other equity	**1,989.89**	**1,723.97**

22. Share application money pending allotment

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Opening balance	-	-
Add: Application money received for exercised options	0.03	-
Less: Shares issued for exercised options	(0.03)	-
Total	**^**	**-**

^ Represents value less than ₹ 0.01 crore.

Share application money pending allotment represents the amount received on exercise of stock options by the eligible employees under the Stock Appreciation Right Scheme, 2017 of the Company for which allotment is yet to be made.

Notes to the standalone financial statements for the year ended March 31, 2021

23. Lease liabilities

The company recognized lease liabilities measured at the present value of remaining lease payments.

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Current	7.27	10.37
Non-current	14.23	17.14
Total	**21.50**	**27.51**

24. Provisions – non-current

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Compensated absences	6.63	6.48
Gratuity	19.37	19.66
Total	**26.00**	**26.14**

Gratuity (included as part of employee benefits expense in note 32)

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	2020-21	2019-20
Defined benefit obligation at the beginning of the year	**20.98**	**14.84**
Current service cost	2.20	1.98
Interest cost	1.39	0.89
Actuarial (gain)/loss recognised in other comprehensive income	(2.38)	5.00
Benefits paid	(0.83)	(1.73)
Defined benefit obligation at the end of the year	**21.36**	**20.98**
Non-current obligation at the end of the year	19.37	19.66
Current obligation at the end of the year	1.99	1.32

Expenses recognised in Statement of profit and loss and other comprehensive Income

The current service cost and the interest cost for the year are included in the 'Employee benefits expense' and ‘finance cost’ respectively, in the statement of profit and loss.

₹ in Crores

Particulars	2020-21	2019-20
Cost of the defined plan for the year:		
Current service cost	2.20	1.98
Interest on obligation	1.39	0.89
Net cost recognized in the statement of profit and loss	**3.59**	**2.87**
Net actuarial (gain)/loss recognized in other comprehensive income	**(2.38)**	**5.00**

Principal actuarial assumptions for gratuity

₹ in Crores

Particulars	2020-21	2019-20
Discount rate	6.76%	6.31%
Salary escalation rate	7.00%	7.00%
Attrition rate	15.00%	14.00%
Weighted average duration of defined benefit obligation	7.76 years	9.99 years
Demographic assumptions – Mortality	IALM 2012-14 Ultimate	IALM 2012-14 Ultimate

Sensitivity analysis

The Company applies 1% as the sensitivity rate while ascertaining the impact of change in one of the actuarial assumptions, keeping other assumptions constant, on the defined benefit obligation. Following is the effect on defined benefit obligation:

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Increase of 1% in assumptions	**Increase/ (Decrease)**	**Increase/ (Decrease)**
Discount rate	(1.54)	(1.80)
Salary escalation rate	1.68	2.01
Attrition rate	(0.14)	(0.18)
Decrease of 1% in assumptions	**Increase/ (Decrease)**	**Increase/ (Decrease)**
Discount rate	1.75	2.08
Salary escalation rate	(1.50)	(1.77)
Attrition rate	0.15	0.20

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

25. Short-term borrowings

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Secured loans from banks (refer note i)	-	673.95
Unsecured loans from:		
a. Banks	-	100.00
b. Others	0.99	4.07
Unsecured commercial paper (refer note ii)	-	394.28
Total	**0.99**	**1,172.30**

i. Secured by pari passu charge on inventories and trade receivables, both present and future. The loan is repayable on demand.

ii. The facility is unsecured and the maximum amount outstanding at any time during the year was ₹ 394.28 crores (previous year: ₹ 1,534.73 crores). The Company's commercial papers were listed on the bourses of BSE Limited. The funds raised from the commercial paper were utilised for working capital purposes.

Notes to the standalone financial statements for the year ended March 31, 2021

Details of Loans availed and repaid during the year 2020-21:

₹ in Crores

Particulars	Loans from Bank	Loans from Others	Commercial Paper	Total
Balance at the beginning of the year				
- Included under current borrowings (refer note 25)	773.95	4.07	394.28	**1,172.30**
- Included under other financial liabilities (refer note 27)	3.44	-	-	**3.44**
Details of borrowings with a maturity of over 90 days				
Loans availed during the year	373.16	-	-	**373.16**
Repayments made during the year	(614.32)	(3.08)	(98.56)	**(715.96)**
Details of other borrowings				
Loans availed during the year	695.00	-	-	**695.00**
Repayments made during the year	(1,218.22)	-	(295.72)	**(1,513.94)**
Movement in bank overdrafts (net)	-	-	-	**-**
Finance cost	30.71	6.28	3.67	**40.66**
Interest paid	(34.15)	(6.28)	(3.67)	**(44.10)**
Effects of changes in foreign exchange rates	(9.57)	-	-	**(9.57)**
Balance at the end of the year				
- Included under current borrowings (refer note 25)	-	0.99	-	**0.99**
- Included under other financial liabilities (refer note 27)	-	-	-	**-**

Details of Loans availed and repaid during the year 2019-20:

₹ in Crores

Particulars	Loans from Bank	Loans from Others	Commercial Paper	Total
Balance at the beginning of the year				
- Included under current borrowings (refer note 25)	428.07	5.63	395.91	**829.61**
- Included under non-current borrowings	-	0.94	-	**0.94**
- Included under other financial liabilities (refer note 27)	3.85	-	-	**3.85**
Details of borrowings with a maturity of over 90 days				
Loans availed during the year	663.72	6.41	98.56	**768.69**
Repayments made during the year	(856.66)	(8.92)	-	**(865.58)**
Details of other borrowings				
Loans availed during the year	2,543.11	10.67	6,723.67	**9,277.45**
Repayments made during the year	(2,024.46)	(10.67)	(6,823.86)	**(8,858.99)**
Movement in bank overdrafts (net)	(4.35)	-	-	**(4.35)**
Finance cost	30.13	4.09	68.18	**102.40**
Interest paid	(30.54)	(4.09)	(68.18)	**(102.81)**
Effects of changes in foreign exchange rates	24.53	-	-	**24.53**
Balance at the end of the year				
- Included under current borrowings (refer note 25)	773.95	4.07	394.28	**1,172.30**
- Included under non-current borrowings	-	-	-	**-**
- Included under other financial liabilities (refer note 27)	3.44	-	-	**3.44**

Notes to the standalone financial statements for the year ended March 31, 2021

26. Trade payables

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
(a) Total outstanding dues of micro enterprises and small enterprises	4.49	34.24
Total (a)		
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	**4.49**	**34.24**
i. Trade payables towards related parties	14.10	11.77
ii. Trade payables towards others	2,727.30	2,257.14
Total (b)	**2,741.40**	**2,268.91**
Total (a+b)	**2,745.89**	**2,303.15**

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 undisputed outstanding amounts (including interest) payable to these enterprises.

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Amount due to vendor		
- Principal	4.49	34.24
- 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	-	-

27. Other financial liabilities

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Interest accrued but not due on borrowings	-	3.44
Unclaimed dividend*	0.16	0.20
Supplier credit arrangements	33.47	27.54
Other liabilities	103.40	108.97
Total	**137.03**	**140.15**

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

28. Other current liabilities

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Statutory liabilities	78.15	74.50
Advances received from customers	36.81	50.77
Other liabilities	83.04	71.80
Total	**198.00**	**197.07**

29. Provisions - current

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Compensated absences	1.33	1.04
Gratuity (refer note 24)	1.99	1.32
Total	**3.32**	**2.36**

Notes to the standalone financial statements for the year ended March 31, 2021

30. Revenue from operations

₹ in Crores

Particulars	2020-21	2019-20
Sale of products	22,287.48	18,321.52
Sale of services	420.34	304.40
Other operating revenue	12.85	6.65
Total	**22,720.67**	**18,632.57**

31. Other income

₹ in Crores

Particulars	2020-21	2019-20
Interest income under effective interest rate method:		
Bank deposits	17.63	0.31
Loans	0.85	0.95
Others:		
Dividend from subsidiaries	-	350.35
Interest from dealers	7.08	10.97
Income from short term investments	1.69	2.37
Gain on disposal of subsidiary (refer note 8)	26.10	-
Bad debts written off in earlier years recovered	0.13	0.94
Gain on sale of property, plant and equipment (net)	1.70	0.75
Gain on modification of leases	1.53	-
Interest on income tax refund	5.48	-
Rental income	0.31	2.99
Income from insurance claim	2.30	-
Other non-operating income	6.27	4.21
Total	**71.07**	**373.84**

32. Employee benefits expense

₹ in Crores

Particulars	2020-21	2019-20
Salaries and bonus	139.92	126.10
Contribution to provident and other funds	6.35	6.29
Staff welfare expenses	2.13	5.39
Stock compensation expenses (refer note 46)	1.58	4.43
Gratuity (refer note 24)	2.20	1.98
Total	**152.18**	**144.19**

33. Finance costs

₹ in Crores

Particulars	2020-21	2019-20
Interest cost on financial liabilities measured at amortised cost	34.38	98.32
Interest on lease liabilities	1.77	2.41
Other borrowing costs	6.28	4.08
Total	**42.43**	**104.81**

Notes to the standalone financial statements for the year ended March 31, 2021

34. Depreciation and amortisation expenses

₹ in Crores

Particulars	2020-21	2019-20
Depreciation of property, plant and equipment (refer note 4)	8.08	10.34
Depreciation of right-of-use assets (refer note 5)	7.60	7.96
Depreciation of investment property (refer note 6)	2.69	1.13
Amortisation of intangible assets (refer note 7)	9.46	6.79
Total	**27.83**	**26.22**

35. Other expenses

₹ in Crores

Particulars	2020-21	2019-20
Rent (refer note 38)	4.78	0.81
Warehouse product / handling charges	69.61	59.21
Freight	4.82	4.95
Repairs and maintenance	20.06	15.39
Insurance	21.93	22.66
Rates and taxes	0.30	0.38
Communication	3.91	3.06
Travel	0.87	7.41
Conveyance	1.37	3.71
Bad debts on trade receivables and other financial assets*	-	17.26
Allowance for impairment of trade receivables and other financial assets	16.79	30.25
Auditors' remuneration (refer details below)	1.30	1.16
Exchange loss (net)	32.87	5.15
Factoring charges	20.41	0.35
Non-executive/ Independent Directors remuneration	1.74	1.39
Outsourced resource cost	3.90	3.25
Bank charges	3.63	13.49
Sales promotion expenses	9.78	18.22
Corporate social responsibility expenditure (refer note 43)	8.63	5.31
Miscellaneous expenses	11.98	18.23
Total	**238.68**	**231.64**

* The amount of bad debts written off against allowance for impairment of trade receivables and other financial assets are as below:

₹ in Crores

Particulars	2020-21	2019-20
Bad debts written off	28.10	46.40
Less: Bad debts written off against provision	(28.10)	(29.14)
Net bad debts on trade receivables and other financial assets	**-**	**17.26**

Notes to the standalone financial statements for the year ended March 31, 2021

Auditor's Remuneration

₹ in Crores

Particulars	2020-21	2019-20
As auditor		
Audit fees towards statutory audit and limited reviews	0.82	0.32
Tax audit	0.02	0.02
Remuneration to branch auditors (refer note (a) below)	0.15	0.07
In other capacities		
Certification fees	0.03	0.04
Others – Fees towards group reporting	0.26	0.66
Re-imbursement of expenses	0.02	0.05
Total remuneration	**1.30**	**1.16**

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

36. Earnings per equity share

₹ in Crores

Particulars	2020-21	2019-20
Profit after tax (₹ in Crores)	263.33	489.60
Weighted average number of equity shares (Basic)	38,90,92,074	38,90,83,161
Earnings per share- Basic ₹	**6.77**	**12.58**
Weighted average number of equity shares (Diluted)	38,99,46,128	38,90,83,161
Earnings per share- Diluted ₹	**6.75**	**12.58**
Face Value per share in ₹	2/-	2/-
Weighted average number of equity shares (Basic)	38,90,92,074	38,90,83,161
Add: Effect of stock appreciation rights (dilutive)	8,54,054	-
Weighted average number of equity shares (diluted)	38,99,46,128	38,90,83,161

37. Contingencies and commitments

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
a. Claims against the Company not acknowledged as debts	16.93	6.47
b. Disputed income tax/sales tax demands		
Income tax (refer note 47)	-	21.96
Sales tax	97.86	84.55

c. Capital commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is ₹ 0.06 crores (previous year: ₹ 0.61 crores).

38. Lease expenses

₹ in Crores

Particulars	2020-21	2019-20
Interest on lease liabilities (Included as part of finance cost)	1.77	2.41
Depreciation of right-of-use assets (Included as part of depreciation and amortization expenses)	7.60	7.96
Expenses relating to short-term leases and termination of leases (Included as part of other expenses)	4.78	0.81
Gain on modification of leases (Included as part of other income)	(1.53)	-

Amounts recognised in statement of cash flows

₹ in Crores

Particulars	2020-21	2019-20
Total cash outflow for leases	(10.78)	(10.81)

Leases as a lessor

Operating leases

The Company leases out certain assets and has classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets. Rental income recognised by the Company during year ended March 31, 2021 was ₹ 4.56 crores (March 31, 2020: ₹ 4.80 crores). The rental income pertaining to Investment Property amounting to ₹ 4.25 crores (March 31, 2020: ₹1.81 crores) is disclosed as part of other operating revenue under Revenue from operations (Refer note 30) and other rental income amounting to ₹ 0.31 crores (March 31, 2020: ₹ 2.99 crores) is disclosed as rental income under Other income (Refer note 31). The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date:

₹ in Crores

Particulars	Amount
March 31, 2021	
Less than one year	4.26
One to five years	0.02
More than five years	-
Total	**4.28**

Particulars	Amount
March 31, 2020	
Less than one year	0.47
One to five years	0.46
More than five years	-
Total	**0.93**

Notes to the standalone financial statements for the year ended March 31, 2021

39. Financial instruments

Accounting classifications and fair values

The following table shows the carrying amounts of financial assets and financial liabilities:

₹ in Crores

March 31, 2021		Carrying amount		
Particulars	**Note reference**	**Other financial assets-amortised cost**	**FVTPL – others**	**Total carrying amount**
Financial assets not measured at fair value				
Trade receivables	Note 14	2,813.80	-	2,813.80
Cash and cash equivalents	Note 15	303.45	-	303.45
Other bank balances	Note 16	0.21	-	0.21
Loans	Note 17	20.00	-	20.00
Other financial assets	Note 9 and 18	29.36	-	29.36
Financial assets measured at fair value				
Forward contract	Note 18	-	1.30	1.30
Total		**3,166.82**	**1.30**	**3,168.12**
Financial liabilities not measured at fair value				
Borrowings (current)	Note 25	0.99	-	0.99
Lease liabilities	Note 23	21.50	-	21.50
Trade payables	Note 26	2,745.89	-	2,745.89
Other financial liabilities	Note 27	134.08	-	134.08
Financial liabilities measured at fair value				
Forward contract	Note 27	-	2.95	2.95
Total		**2,902.46**	**2.95**	**2,905.41**

The Investments in subsidiaries and associate (refer note 8), is accounted at cost less impairment.

₹ in Crores

March 31, 2020

Particulars	Note reference	Carrying amount Other financial assets- amortised cost	FVTPL – others	Total carrying amount
Financial assets not measured at fair value				
Trade receivables	Note 14	2,805.58	-	2,805.58
Cash and cash equivalents	Note 15	617.33	-	617.33
Other bank balances	Note 16	0.25	-	0.25
Loans	Note 17	-	-	-
Other financial assets	Note 9 and 18	27.51	-	27.51
Financial assets measured at fair value				
Forward contract	Note 18	-	21.88	21.88
Total		**3,450.67**	**21.88**	**3,472.55**
Financial liabilities not measured at fair value				
Borrowings (current)	Note 25	1,172.30	-	1,172.30
Lease liabilities	Note 23	27.51	-	27.51
Trade payables	Note 26	2,303.15	-	2,303.15
Other financial liabilities	Note 27	139.25	-	139.25
Financial liabilities measured at fair value				
Forward contract	Note 27	-	0.90	0.90
Total		**3,642.21**	**0.90**	**3,643.11**

The Investments in subsidiaries and associate (refer note 8), 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.

Particulars	March 31, 2021	March 31, 2020
Financial assets		
Forward contract (Level 2)	1.30	21.88
Financial liabilities		
Forward contract (Level 2)	(2.95)	(0.90)

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.

40. 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.

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.

Notes to the standalone financial statements for the year ended March 31, 2021

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, 2021		March 31, 2020	
	$/€ in Crores	₹ in Crores	$/€ in Crores	₹ in Crores
Borrowings:				
Foreign currency exposure	-	-	3.37	254.74
Less: Hedged through forward exchange contracts	-	-	(3.37)	(254.74)
Unhedged exposure	-	-	-	-
Trade Payables:				
Foreign currency exposure	5.93	433.49	6.51	493.19
Less: Hedged through forward exchange contracts	(5.68)	(415.22)	(6.18)	(467.96)
Unhedged exposure	**0.25**	**18.27**	**0.33**	**25.23**
Receivables – Other financial assets:				
Foreign currency exposure – unhedged	**-**	**-**	**0.03**	**2.53**

The un-hedged balances as at March 31, 2021 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, 2021. For every 1% strengthening of Indian Rupees against all relevant uncovered foreign currency transactions profit before tax would be impacted by gain of ₹ 0.18 crores (previous year gain of ₹ 0.23 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 a risk of financial loss to the Company, if a customer or counterparty to a financial instrument fails to meet its contractual obligations, arises principally from the Company's receivables from customers, loans and other financial assets. The carrying value of financial assets represents the maximum amount of credit risk.

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.

Ageing of trade receivables

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Less than 90 days	2,769.65	2,767.84
91-180 days	25.39	19.05
More than 180 days	40.45	51.57
Less: Loss allowance	(21.69)	(32.88)
Total	**2,813.80**	**2,805.58**

Movement in the allowance for impairment of trade receivables

₹ in Crores

Particulars	2020-21	2019-20
Balance at the beginning of the year	**32.88**	**41.33**
Allowance recognized during the year	17.09	30.67
Less: Written-off during the year	(28.10)	(39.50)
Currency translation adjustment	(0.18)	0.38
Balance at the end of the year	**21.69**	**32.88**

The concentration of credit risk is limited due to the customer base being large and unrelated. Further, the Company constantly evaluates the quality of trade receivable and provides allowance towards impairment of trade receivables.

In addition to the historical pattern of credit loss, we have considered the likelihood of increased credit risk and consequential default considering emerging situations due to COVID-19. The Company closely monitors its customers and assesses conditions such as change in payment terms, inability of the customer to pay etc. depending on severity of each case. Basis this assessment, the allowance for impairment of trade receivables as at March 31, 2021 is considered adequate.

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 un-availed 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	March 31, 2021		March 31, 2020	
	Carrying amount	Cash outflow	Carrying amount	Cash outflow
Non-derivative financial liabilities				
> 1 year				
Lease liabilities	14.23	15.79	17.14	20.51
< 1year				
Short-term borrowings	0.99	0.99	1,172.30	1,189.11
Trade payables	2,745.89	2,745.89	2,303.15	2,303.15
Lease liabilities	7.27	8.66	10.37	11.33
Other financial liabilities	134.08	134.08	139.25	139.25
Derivative financial liabilities				
Forward contracts	2.95	2.95	0.90	0.90

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

a. Key Management Personnel (KMP)

Mr. Raj Shankar, Managing Director
Mr. S V Krishnan, Chief Financial Officer & Whole Time Director (Appointed as Whole Time Director w.e.f. May 22, 2019)
Mr. Kasturi Rangan (Resigned as Whole Time Director w.e.f. May 22, 2019)
Mr. Ramesh Natarajan (Appointed as Chief Executive Officer – India Distribution business w.e.f. June 11, 2020)

Refer note 42 for details of remuneration paid to KMP

Notes to the standalone financial statements for the year ended March 31, 2021

b. Names of the related parties

Entity having significant influence on the Company	Synnex Mauritius Limited, Mauritius*
Subsidiary of entity having significant influence on the Company	Synnex Australia Pty Limited, Australia*
Subsidiary Companies	Redington International Mauritius Limited, Mauritius (RIML)*
	Redington Gulf FZE (RGF), Dubai, UAE
	Cadensworth FZE, Dubai, UAE
	Redington Gulf & Co. LLC, Oman
	Redington Egypt Ltd (Limited Liability Company), Egypt
	Redington Kenya Limited, Kenya
	Redington Middle East LLC, Dubai, UAE
	Redington Qatar WLL, Qatar (Refer note v)
	Ensure Services Arabia LLC, Kingdom of Saudi Arabia
	Ensure Services Bahrain S.P.C., Kingdom of Bahrain
	Redington Distribution Pte. Ltd, Singapore (RDPL)*
	Redington Bangladesh Limited, Bangladesh
	Redington Qatar Distribution WLL, Qatar
	Redington Kenya (EPZ) Limited, Kenya (Refer note v)
	Redington Limited, Ghana
	Redington Uganda Limited, Uganda
	Redington Gulf FZE Co, Iraq (Refer note ii)
	Cadensworth United Arab Emirates (LLC), Dubai, UAE
	Redington Morocco Ltd., Morocco
	Redington Tanzania Limited, Tanzania
	Redington SL Private Limited., Sri Lanka
	Redington Turkey Holdings S.A.R.L, Grand Duchy of Luxembourg
	Arena Bilgisayar Sanayi Ve Ticaret A.S., Turkey
	Arena International FZE, Dubai, UAE
	Ensure IT services (Pty) Ltd., South Africa
	ProConnect Supply Chain Solutions Limited, India*
	Ensure Gulf FZE, Dubai, UAE (Refer note v)
	Ensure Technical Services (PTY) Ltd., South Africa (Refer note ii)
	Ensure Middle East Trading LLC, Dubai, UAE (Refer note v)
	Ensure Technical Services Kenya Limited, Kenya (Refer note v)
	Ensure Technical Services Tanzania Ltd, Tanzania (Refer note v)
	Ensure Services Uganda Limited, Uganda (Refer note v)
	Ensure Solutions Nigeria Limited, Nigeria (Refer note v)
	Redington Rwanda Ltd., Rwanda
	Redington Kazakhstan LLP, Kazakhstan
	ProConnect Supply Chain Logistics LLC, Dubai, UAE
	Ensure Ghana Limited, Ghana (Refer note v)
	Ensure Support Services (India) Limited, India* (Refer note i)
	Ensure Technical Services Morocco Limited (Sarl), Morocco (Refer note v)
	Redington Senegal Limited S.A.R.L, Senegal
	Redington Saudi Arabia Distribution Company, Saudi Arabia
	PayNet Odeme Hizmetleri A.S., Turkey
	CDW International Trading FZCO, Dubai, UAE
	RNDC Alliance West Africa Limited, Nigeria
	Redserv Business Solutions Private Limited, India

	ProConnect Saudi LLC, Saudi Arabia
	Redington Distribution Company, Egypt
	Ensure Middle East Technology Solutions LLC, UAE
	Rajprotim Supply Chain Solutions Limited, India (refer note vii)
	Citrus Consulting Services FZ LLC, Dubai, UAE (Refer note vi)
	Arena Mobile Iletisim Hizmetleri Ve Tuketici Elektronigi Sanayi Ve Ticaret A.S., Turkey
	Online Elektronik Ticaret Hizmetleri A.S., Turkey
	Paynet (Kibris) Odeme Hizmetleri Limited, Cyprus
	Ensure Services Limited, Egypt (Refer note v)
	Redington Cote d'Ivoire SARL, Cote d'Ivoire
	Redington Turkey Teknoloji A.S., Turkey (Refer note iii)
	Redington Saudi for Trading, Saudi Arabia (Refer note ii)
	Auroma Logistics Private Limited, India* (Refer note iv)
	Africa Joint Technical Services, Libya (Refer note viii)
	Redington Angola Ltd., Angola (Refer note viii)
Associate	Redington (India) Investments Limited, India
Subsidiary of associate	Currents Technology Retail (India) Limited, India*

** Represents related parties with whom transactions have taken place during the year.*

Notes:

i. *The entity has been divested during the year w.e.f July 31, 2020.*

ii. *Yet to commence operations.*

iii. *Formerly known as Linkplus Bilgisayar Sistemleri Sanayi ve Ticaret AS.*

iv. *The entity has been merged with ProConnect Supply Chain Solutions Limited, a wholly owned subsidiary of Redington India Ltd during the year.*

v. *The businesses of these entities, to the extent applicable, were transferred to other step-down subsidiaries within the Group and liquidation process, in respect of these entities were initiated during the year.*

vi. *The Company acquired the balance 15.20% stake during the year.*

vii. *Initiated merger with ProConnect Supply Chain Solutions Limited during the year.*

viii. *Operations ceased during the financial year 2016-17.*

c. Nature of Transactions

₹ in Crores

Nature of Transactions	2020-21 Entity having significant influence	2019-20 Entity having significant influence
Synnex Mauritius Limited		
Dividend paid	-	71.66

Nature of Transactions	2020-21 Subsidiary of entity having significant influence	2019-20 Subsidiary of entity having significant influence
Synnex Australia Pty Limited		
Service Charges – Income	0.26	0.32

Notes to the standalone financial statements for the year ended March 31, 2021

₹ in Crores

Nature of Transactions	2020-21 Subsidiary Companies	2019-20 Subsidiary Companies
Redington International Mauritius Limited		
Stock compensation expense treated as investments	(0.05)	4.22
Dividend income	-	329.88
Redington Distribution Pte Limited		
Dividend income	-	17.24
Service charges – expenses	0.43	0.40
Stock compensation expense treated as investments	(0.14)	0.23
Amount payable at the year end	0.10	0.19
ProConnect Supply Chain Solutions Limited		
Sales / Service income	0.97	0.28
Interest on loan	0.85	-
Rental income	4.27	4.33
Warehouse / Product handling charges – expense	68.75	56.48
Stock compensation expense treated as investments	0.38	1.64
Loan disbursed	42.00	-
Loan settled	22.00	-
Loan receivable at the year end	20.00	-
Amount receivable at the year end	0.78	1.52
Amount payable at the year end (net)	14.01	10.47
Ensure Support Services (India) Limited		
Sales / Service income	-	0.24
Rental income	0.15	0.46
Dividend income	-	3.23
Warehouse / Product handling charges – expense	0.86	2.72
Service charges – expense	0.07	0.28
Stock compensation expense treated as investments	(0.39)	0.13
Amount payable at the year end	*	0.26
Amount receivable at the year end	*	0.30
Auroma Logistics Private Limited		
Warehouse / Product handling charges – expense	-	0.03
Amount payable at the year end	-	0.03

Notes to the standalone financial statements for the year ended March 31, 2021

₹ in Crores

Nature of Transactions	2020-21 Subsidiary of associate	2019-20 Subsidiary of associate
Currents Technology Retail (India) Limited		
Sales of products	0.30	19.74
Interest on loan	-	0.77
Purchase of intangible assets	-	9.91
Service charges – expense	-	0.86
Loan disbursed	-	33.10
Loan settled	-	58.20
Write off of loans	-	6.90
Write off of trade receivable	-	10.36
Amount payable at the year end	^	0.82
Amount receivable at the year end	-	0.05
Advances received against supplies	-	0.35

Nature of Transactions	2020-21 Key Management Personnel	2019-20 Key Management Personnel
Dividends paid	-	0.49

^ Represents value less than ₹ 0.01 crore.

* The Company is not a related party as at the year end.

42. Key Managerial Remuneration

Nature of Transactions	2020-21	2019-20
Salaries and bonus	1.92	0.96
Contribution to Provident Fund	0.09	0.04
Stock compensation expense (SAR)	0.16	0.24
Incentives	0.19	0.21
Total remuneration (refer note a)	**2.36**	**1.45**

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

43. Corporate social responsibility

For the year 2020-21, the Company was required to spend ₹ 8.63 crores (previous year: ₹ 5.31 crores) on "Corporate Social Responsibility (CSR)" against which the Company has spent ₹ 8.63 crores (previous year: ₹ 5.31 crores). This includes contribution of ₹ 7.63 crores made by the Company to 'Foundation for CSR @ Redington' trust formed for the purposes of carrying out CSR activities.

44. Segment Reporting

Since the Company prepares consolidated financial statements, segment information has been disclosed in the consolidated financial statements as per Ind AS-108 "Operating Segment".

45. Employee Stock Option Plan 2008 (ESOP 2008)

The Company followed intrinsic value method as per previous GAAP for accounting of employee stock options and had availed the exemption under Ind AS 101 "First time adoption of Indian Accounting Standards" at the time of transition to Ind AS from retrospective application of accounting requirements prescribed under Ind AS 102 "Share-based payment" for outstanding options as on the transition date. Accordingly, no compensation costs had been recognized in these accounts as the options have been granted at the prevailing market prices at the time of each grant.

Notes to the standalone financial statements for the year ended March 31, 2021

Details of various grants under ESOP 2008 are as follows:

Particulars	Grant I	Grant II	Grant III	Grant IV	Grant V
Date of Grant	February 29, 2008	July 25, 2008	January 28, 2009	May 22, 2009	December 05, 2011
Exercise Price (₹)*	348.05	319.90	130.00	165.00	396.50
Vesting commences on	February 28, 2009	July 24, 2009	January 27, 2010	May 21, 2010	December 04, 2012
Options granted	23,35,973	11,000	2,76,143	25,000	1,73,212
Options lapsed	5,87,670	4,750	-	-	53,104
Options vested	17,48,303	6,250	2,76,143	25,000	1,20,108
Options exercised at the beginning of the year	17,48,303	6,250	2,76,143	25,000	1,20,108
Options exercised during the year	-	-	-	-	-
Total options outstanding and not exercised as on March 31, 2021	-	-	-	-	-

* Out of the total options granted in 2008, 19,59,830 options were re-priced at ₹ 130/- on January 28, 2009 and 75,000 options were re-priced at ₹ 165/- on May 22, 2009

Out of the lapsed options the Board/Committee of directors at their meetings had approved reissue of options as follows:

Date of Grant	July 25, 2008	January 28, 2009	May 22, 2009	December 05, 2011
No. of options	11,000	2,76,143	25,000	1,73,212

The exercise period of all options granted including those reissued had expired and validity of Redington Employee Stock Option Plan, 2008 ended on 31st March 2020. The Board of Directors had also approved to extinguish the options and dissolve the plan.

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 price 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	2020-21		2019-20	
	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (₹)
Balance at the beginning of the year	-	-	3,819	396.50
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	1,287	396.50
Expired during the year	-	-	2,532	396.50
Balance at the end of the year	-	-	-	-

Weighted average contractual life

The weighted average remaining contractual life of the options outstanding is Nil (previous year Nil).

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	NIL	-	-

46. Stock Appreciation Rights

Details of Stock Appreciation Rights

The Company has formulated 'Redington Stock Appreciation Right Scheme 2017' ("SAR Scheme 2017") with an intent to reward the employees of the Company and its subsidiaries for their performance and to motivate them to contribute to the growth and profitability of the Company. The maximum number of shares to be issued against the Stock Appreciation Rights (SARs) shall not exceed 86,81,681 equity shares of ₹ 2/- each as adjusted for any changes in the capital structure of the Company. Pursuant to the approval of SAR Scheme 2017 by the members of the Company, the Nomination and Remuneration Committee of the Board of Redington (India) Limited on December 30, 2017 approved the grant of 81,79,000 SARs to the employees of the Company and its subsidiaries.

Each SAR entitles the eligible employees and directors to receive equity shares of the Company equivalent to the increase in value of one equity share ('Appreciation'). Appreciation is calculated by reducing the issue price / base price from the reported closing price of the equity shares in the NSE / BSE where there is highest trading, on the day prior to the date of exercising of these SARs and multiplying the resultant with the number of SARs exercised.

Notes to the standalone financial statements for the year ended March 31, 2021

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 the performance conditions. As the Company has not met the performance condition, all the performance linked SAR lapsed during this financial year. 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, 2021	March 31, 2020
b. Details of movement in SARs granted during the year	**Units (in numbers)**	
SARs outstanding at the beginning of the year	66,75,900	75,17,600
Number of SARs granted during the year	-	-
SARs lapsed during the year (including unvested SARs lapsed due to performance condition not being met)	21,82,800	8,41,700
SARs exercised during the year	6,06,800	-
Total number of shares allotted on exercise of SAR during the year	1,31,522	-
Total number of shares yet to be allotted on exercise of SAR at the end of the year	10,931	-
SARs outstanding at the end of the year	38,86,300	66,75,900
SARs exercisable at the end of the year	38,86,300	20,21,250
c. Range of exercise prices of SARs outstanding at the end of the year	₹ 2	₹ 2
d. Weighted average remaining contractual life (in years)	2.27	3.35

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.

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.

47. Update on Income Tax matters

The Income tax department had raised a demand during the financial year 2013-14 on the Company for ₹ 118.65 crores (excluding interest and penalty) arising on account of tax on capital gains from the transfer of the Company's investment in an overseas subsidiary to another overseas step-down subsidiary, for the assessment year ended March 31, 2009. This demand has been set aside by the Income Tax Appellate Tribunal, Chennai vide its order dated July 7, 2014. The Department filed an appeal against the said order before the Madras High Court (Court). In August 2019, the Court allowed the admission of the appeal and the Company was actively contesting the same as at the previous balance sheet date.

During the financial year 2020-21, the Company received an unfavourable order from the Court in respect of the same, setting aside the order of the Income-tax Appellate Tribunal, resulting in a potential demand of ₹ 140.29 crores (excluding interest and penalty).

Pursuant to receipt of such order, the Company had performed a comprehensive evaluation of its various direct tax positions including the status of its pending litigations and the Company had, in respect of certain assessment years (including the AY 2009-10), made applications under the Vivad Se Vishwas scheme. The Company has opted to avail the scheme after evaluating the pros and cons of continuing with the litigations and the benefit of wavier of interest and penalty that the scheme offers.

In view of the above, the Company has created a provision of ₹ 88.99 crores towards income-tax in respect of earlier years which has been disclosed separately under the head tax expenses. The Company has paid the demand of ₹ 76.30 crores till date and received orders for ₹ 73.48 crores in full and final settlement under Direct Tax Vivad se Vishwas Act, 2020. Completion orders for the balance amount are awaited.

48. Other matters

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions made by the company towards Provident fund and gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess and give appropriate impact on the financial statements in the period in which the code and related rules become effective.

49. Events after the reporting period

a. The Board of Directors of the Company at its meeting held on April 1, 2021, approved the elevation of Mr. Raj Shankar to the position of "Vice Chairman and Managing Director" with immediate effect. Also, the Board appointed Mr. Rajiv Srivastava as an Additional Director on the Board and as Joint Managing Director of the Company effective April 2, 2021.

Notes to the standalone financial statements for the year ended March 31, 2021

b. The SAR Share Allotment Committee of Directors of the Company has considered and approved allotment of 50,095 equity shares of ₹ 2/- each on May 8, 2021, pursuant to exercise of Stock Appreciation Rights granted under Redington Stock Appreciation Right Scheme, 2017.

c. The Board of Directors at its meeting held on May 27, 2021 has recommended a dividend of ₹ 11.60/- per equity share of ₹ 2/- each (i.e. 580% of face value) for the financial year ended March 31, 2021 subject to the approval of shareholders in the ensuing Annual General Meeting.

50. These standalone financial statements were approved for issue by the Board of Directors on May 27, 2021.

As per our report of even date attached

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

S Sethuraman
Partner
Membership No.: 203491
Place: Chennai

Date: May 27, 2021

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

Raj Shankar
Vice Chairman and Managing Director
(DIN-00238790)
Place: Singapore

S V Krishnan
Chief Financial Officer and Whole-time Director
(DIN-07518349)
Place: Chennai

Ramesh Natarajan
Chief Executive Officer India Distribution Business
Place: Chennai

M Muthukumarasamy
Company Secretary
Place: Chennai

Consolidated Financial Statement

Independent Auditors' Report

To the Members of Redington (India) Limited

Report on the Audit of the 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, 2021, 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 Holding 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, 2021, 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 and its associates in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, 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 and trade receivables	
Revenue recognition involves certain key judgments relating to identification of contracts with customers, identification of distinct performance obligations including assessment of the Group acting as a principal or agent in the transaction, determination of transaction price and the basis used to recognise revenue either at a point in time or over a period of time. Revenue is recognised 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. Revenue recognition has been identified as a key audit matter because the Group and its external stakeholders focus on revenue as a key performance metric. This could create an incentive for revenue to be overstated or recognised before control has been transferred. Further, the Group has significant trade receivables at year end. Given the size of the balances and the risk of some of the trade receivables not being recoverable, judgement is required to evaluate the adequacy of allowance recorded to reflect the risk. See note 2(d)(ii), 2(d)(xi), 4(h), 4(w) and 35(b) to the consolidated financial statements.	In view of the significance of the matter, the following key audit procedures were performed in respect of the entities audited by us / the auditors of the subsidiaries in respect of the entities audited by them, as applicable: • Assessed the appropriateness of the revenue recognition accounting policies and its compliances with applicable accounting standards. • Tested the design, implementation and operating effectiveness of key internal controls relating to revenue recognition. • Performed substantive testing of revenue transactions recorded during the year on a sample basis by verifying the underlying documents of the sale. • Performed testing for samples of revenue transactions recorded closer to the year-end by verifying underlying documents, to assess the accuracy of the period in which revenue was recognized. • Selected samples of contractual arrangements, tested the assessment of whether the Group acts as a principal or agent in the transaction and evaluated the recognition of revenue on a gross or net basis. • Evaluated management assessment of the impact on revenue recognition and consequential impact on the expected credit loss allowance and other areas of judgement, including for possible effects, if any from the COVID-19 pandemic.

Independent Auditors' Report

To the Members of Redington (India) Limited

The key audit matter	How the matter was addressed in our audit
Supplier rebates	
The Group is entitled to price support from the suppliers in the form of rebates (also referred to as backend income). The Group has varied types of rebate schemes and the quantum of rebates recorded against cost of purchase of traded goods / services are significant in relation to the profits. Accordingly, determination of the Group's entitlement to such rebates, its quantum and accuracy of period in which the rebates are recorded were areas of focus for our audit. See note 2(d)(viii) to the consolidated financial statements.	In view of the significance of the matter, the following key audit procedures were performed in respect of the entities audited by us / the auditors of the subsidiaries in respect of the entities audited by them, as applicable: • Obtained an understanding of and assessed the design, implementation and operating effectiveness of the Group's key internal controls over supplier rebates • Selected samples and verified underlying documents such as program/ scheme documents, credit notes / payments received to verify the accuracy of the amounts and the period in which the supplier rebates were recorded. • Selected samples of supplier rebates recorded in the subsequent financial period and verified the underlying documents to evaluate the accuracy of the period in which the supplier rebates were recorded.
Taxation related matters	
Determination of tax provision and assessment of contingent liabilities in respect of various direct tax and indirect tax matters involves judgment, interpretation of laws, regulations, judicial pronouncements, etc. Judgment is also required in assessing the range of possible outcomes for some of these matters. The Group 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. During the year, the Holding Company had performed a comprehensive evaluation of its various direct tax positions including the status of its pending litigations and the Holding Company had, in respect of certain assessment years, made applications under the Vivad Se Vishwas (VSV) scheme. The Holding Company opted to avail the scheme after evaluating the pros and cons of continuing with the litigations and the benefit of wavier of interest and penalty that the scheme offers. Accordingly, tax provisions and contingent liabilities are areas of focus in the audit. See note 2(d)(v), 4(m), 4(n), 32 and 46 to the consolidated financial statements.	In view of the significance of the matter, the following key audit procedures were performed in respect of the entities audited by us / the auditors of the subsidiaries in respect of the entities audited by them, as applicable: • Tested the design, implementation and operating effectiveness of key internal controls relating taxation and contingencies. • Evaluated judgements used in respect of estimates of provisions, exposures and contingencies. • Evaluated the Holding Company's eligibility for application under VSV scheme, including the verification of the orders received by the Holding Company for full and final settlement under the aforesaid scheme. • Involved our tax specialists to read and analyse select assessment orders and other correspondences obtained by Group for key tax matters (including the VSV scheme). • Evaluated the Group's judgements in respect of estimates of provisions, exposures and contingencies by involving our tax specialists to assess the status of recent and current tax assessments. • Considered third party advice received by the Group, wherever applicable, the outcome of previous claims, relevant judicial pronouncements and developments in the tax environment. • Evaluated the adequacy of disclosures on provisions and contingencies made in the financial statements.

Other Information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises of reports such as Board's Report and Business Responsibility Report (but does not include the consolidated financial statements and our auditors' report thereon) which we obtained prior to the date of this Auditor's Report, and the remaining sections of Annual report, which are expected to be made available to us after that date.

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 on the other information that we obtained prior to the date of this Auditor's Report 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.

When we read the remaining sections of Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the applicable laws and regulations.

Management's and Board of Directors' Responsibilities 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

Independent Auditors' Report

To the Members of Redington (India) Limited

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 Management and 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 Management and 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 the respective Board of Directors 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.

Auditor's 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 the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of Management and Board of Directors 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 and its 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 financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the branch and 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

(a) We did not audit the financial statements of two foreign subsidiaries (which included the financial statements of its step-down subsidiaries) and one Indian subsidiary, whose financial statements reflect total assets of INR 9,889.25 crores as at March 31, 2021, total revenues of INR 34,087.68 crores and net cash inflows amounting to INR 1,054.15 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 profit (and other comprehensive income) of INR Nil crores for the year ended March 31, 2021, in respect of 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 audit reports of the other auditors.

We also did not audit the standalone financial statements of a foreign branch included in the consolidated financial statements of the Holding Company whose financial statements reflect total assets of INR 188.99 crores as at March 31, 2021 and the total revenue of INR 297.04 crores and net cash inflows of INR 35.32 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 the branch, is based solely on the report of such branch auditors.

The branch and certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by branch auditors and other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such 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.

(b) The financial information of one erstwhile Indian subsidiary (up to the date of its disposal), whose financial information reflect total assets of INR Nil crores as at March 31, 2021, total revenues of INR 27.75 crores and net cash outflows amounting to INR 10.95 crores for the year ended on that date, as considered in the consolidated financial statements, have not been audited either by us or by other auditors. The unaudited financial information have been furnished to us by the Management and our opinion on the

Independent Auditors' Report

To the Members of Redington (India) Limited

consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, the financial information is not material to the Group.

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 and other auditors and the financial information certified by the Management.

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, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate companies incorporated in India, none of the directors of the Group companies and its associate companies incorporated in India is disqualified as on March 31, 2021 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, 2021 on the consolidated financial position of the Group. Refer Note 32 and 46 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, 2021.

iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies and associate companies incorporated in India during the year ended March 31, 2021.

iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the financial statements since they do not pertain to the financial year ended March 31, 2021.

Independent Auditors' Report

To the Members of Redington (India) Limited

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 Registration No. 101248W/W-100022

S Sethuraman
Partner
Membership No.: 203491
UDIN: 21203491AAAADN6433

Place: Chennai
Date: May 27, 2021

Annexure A to the Independent Auditors' Report

on the consolidated financial statements of Redington (India) Limited for the year ended March 31, 2021

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, 2021, 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, 2021, 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 consolidated 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 consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures

Annexure A to the Independent Auditors' Report

on the consolidated financial statements of Redington (India) Limited for the year ended March 31, 2021

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 consolidated 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 one subsidiary company 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 Registration No. 101248W/W-100022

S Sethuraman
Partner
Membership No.: 203491
UDIN: 21203491AAAADN6433

Place: Chennai
Date: May 27, 2021

Consolidated Balance Sheet as at March 31, 2021

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

Particulars	Note	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-current assets			
Property, plant and equipment	5 (a)	147.02	174.11
Capital work-in-progress		0.29	0.06
Right-of-use-assets	33	177.09	230.26
Goodwill	6	18.30	18.38
Other intangible assets	5 (b)	262.37	291.67
Intangible assets under development		0.65	11.41
Financial assets			
Other financial assets	14	20.49	20.24
Deferred tax assets (net)	8	28.93	29.95
Income tax assets (net)	7	113.10	147.93
Other non-current assets	9	80.77	78.56
Total non-current assets		**849.01**	**1,002.57**
Current assets			
Inventories	10	2,902.11	3,672.76
Financial assets			
Trade receivables	11	6,800.67	7,032.00
Cash and cash equivalents	12 (a)	2,938.58	2,343.54
Other bank balances	12 (b)	554.39	33.54
Loans	13	-	2.00
Other financial assets	14	198.80	199.67
Other current assets	15	305.51	370.15
Total current assets		**13,700.06**	**13,653.66**
Asset held for sale		8.00	-
Total assets		**14,557.07**	**14,656.23**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	77.84	77.82
Other equity	17	4,855.87	4,231.03
Equity attributable to the shareholders of the Company		**4,933.71**	**4,308.85**
Non-controlling interests	19	372.97	381.27
Total equity		**5,306.68**	**4,690.12**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	20	4.56	-
Lease liabilities		122.41	164.53
Other financial liabilities	23	6.53	0.38
Provisions	21	127.02	124.76
Deferred tax liabilities (net)	8	2.75	4.90
Total non-current liabilities		**263.27**	**294.57**

Consolidated Balance Sheet as at March 31, 2021

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

Particulars	Note	As at March 31, 2021	As at March 31, 2020
Current liabilities			
Financial liabilities			
Borrowings	20	434.34	2,537.48
Lease liabilities		54.52	72.70
Trade payables	22		
- Total outstanding dues of micro enterprises and small enterprises		4.49	34.63
- Total outstanding dues of creditors other than micro enterprises and small enterprises		7,295.46	6,240.52
Other financial liabilities	23	228.21	184.79
Other current liabilities	24	803.32	486.94
Provisions	21	24.40	20.94
Current tax liabilities (net)	7	142.38	93.54
Total current liabilities		**8,987.12**	**9,671.54**
Total liabilities		**9,250.39**	**9,966.11**
Total equity and liabilities		**14,557.07**	**14,656.23**

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
Firm Registration No. 101248W/W-100022

S Sethuraman
Partner
Membership No.: 203491
Place: Chennai

Date: May 27, 2021

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

Raj Shankar
Vice Chairman and Managing Director
(DIN-00238790)
Place: Singapore

S V Krishnan
Chief Financial Officer and Whole-time Director
(DIN-07518349)
Place: Chennai

M Muthukumarasamy
Company Secretary
Place: Chennai

Consolidated Statement of Profit and Loss for the year ended March 31, 2021

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

Particulars	Note	Year Ended March 31, 2021	Year Ended March 31, 2020
Income			
Revenue from operations	25	56,945.86	51,465.17
Other income (net)	26	95.73	48.61
Total income		**57,041.59**	**51,513.78**
Expenses			
Purchases of traded goods		53,110.66	48,276.57
Changes in inventories of traded goods		690.31	371.71
Employee benefits expense	27	831.98	783.78
Finance costs	28	156.44	219.06
Depreciation and amortisation expense	29	148.20	155.40
Other expenses	30	969.53	1,010.30
Total expenses		**55,907.12**	**50,816.82**
Profit before exceptional item and tax		**1,134.47**	**696.96**
Exceptional item			
Impairment of goodwill and other intangibles	40	6.34	4.68
Profit before tax		**1,128.13**	**692.28**
Tax expense			
Current tax		258.03	141.99
Deferred tax		(5.50)	16.37
Tax expenses in respect of earlier years	46	88.99	-
Total tax expense	7	**341.52**	**158.36**
Profit for the year (A)		**786.61**	**533.92**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurements of defined benefit liability		1.71	(8.12)
Income tax relating to the above		(0.65)	0.17
Net other comprehensive income that will not be reclassified to profit or loss		**1.06**	**(7.95)**
Items that will be reclassified subsequently to profit or loss			
Exchange differences in translating financial statements of foreign operations		(165.23)	**283.61**
Income tax relating to the above		0.19	-
Net other comprehensive income that will be reclassified to profit or loss		**(165.04)**	**283.61**
Total other comprehensive income (B)		**(163.98)**	**275.66**
Total comprehensive income for the year (A+B)		**622.63**	**809.58**

Consolidated Statement of Profit and Loss for the year ended March 31, 2021

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

Particulars	Note	Year Ended March 31, 2021	Year Ended March 31, 2020
Profit for the year attributable to			
Shareholders of the Company		756.39	515.21
Non-controlling interests		30.22	18.71
Other comprehensive income for the year attributable to			
Shareholders of the Company		(132.25)	245.57
Non-controlling interests		(31.73)	30.09
Total comprehensive income for the year attributable to			
Shareholders of the Company		624.14	760.78
Non-controlling interests		(1.51)	48.80
Earnings per equity share: (Face value ₹ 2 each)			
Basic (in ₹)	31	19.44	13.24
Diluted (in ₹)		19.40	13.24

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
Firm Registration No. 101248W/W-100022

S Sethuraman
Partner
Membership No.: 203491
Place: Chennai

Date: May 27, 2021

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

Raj Shankar
Vice Chairman and Managing Director
(DIN-00238790)
Place: Singapore

S V Krishnan
Chief Financial Officer and Whole-time Director
(DIN-07518349)
Place: Chennai

M Muthukumarasamy
Company Secretary
Place: Chennai

Consolidated Statement of Cash Flows for the year ended March 31, 2021

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

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
A. Cash flow from operating activities:		
Profit for the year	786.61	533.92
Adjustments for:		
- Income tax expense recognised in profit and loss	341.52	158.36
- Depreciation and amortisation expense	148.20	155.40
- Finance costs	156.44	219.06
- Interest income	(56.62)	(22.73)
- Stock compensation expense	1.84	10.76
- Impairment of goodwill and other intangibles	6.34	4.68
- Allowance for impairment of trade receivables and other financial assets	51.71	100.00
- Gain on disposal of a subsidiary	(4.40)	-
- Income received from short-term investments	(1.87)	(3.26)
- Unrealised exchange (gain) / loss (net)	(0.84)	(6.26)
- Gain on modification of leases	(1.53)	-
- Loss on sale of intangible assets (net)	0.26	-
- Gain on sale of property, plant and equipment (net)	(1.29)	(0.96)
Operating profit before working capital changes	**1,426.37**	**1,148.97**
Decrease / (Increase) in trade receivables	23.72	(449.14)
Decrease in other assets	8.09	83.06
Decrease in inventories	690.14	405.72
Increase / (Decrease) in other liabilities	398.12	(208.28)
Increase in trade payables	1,200.92	101.19
Increase in provisions	12.92	12.06
Cash generated from operations	**3,760.28**	**1,093.58**
Income taxes paid (net)	(263.39)	(127.93)
Net cash generated from operating activities	**3,496.89**	**965.65**
B. Cash flow from investing activities:		
Payment towards acquisition of property, plant and equipment	(33.04)	(47.15)
Payment towards acquisition of other intangible assets	(14.98)	(36.65)
Proceeds from sale of property, plant and equipment and other intangible assets	10.00	3.56
Interest received	52.92	19.47
Income received from short-term investments	1.87	2.37
Loans given to associate	-	(33.10)
Loans settled by associate	-	58.20
Proceeds from sale of mutual fund investments	-	74.32
Purchase of mutual fund investments	-	(66.44)
Changes in bank deposits not treated as cash and cash equivalents	(538.50)	(22.12)
Proceeds from disposal of subsidiary (net of directly attributable expenses and cash disposed off, as applicable)	24.91	-
Acquisition of subsidary, net of cash and cash equivalents acquired	-	(10.00)
Net cash used in investing activities	**(496.82)**	**(57.54)**

Consolidated Statement of Cash Flows for the year ended March 31, 2021

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

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
C. Cash flow from financing activities:		
Proceeds from short-term borrowings (net)	(1,243.43)	2,023.26
Repayment of short-term borrowings	(752.01)	(920.37)
Proceeds from long-term borrowings	-	15.52
Repayment of long-term borrowings	(7.02)	(3.93)
Proceeds from allotment of shares under Stock Appreciation Right Scheme, 2017 / Employee Stock Option Plan, 2008	0.02	0.05
Dividends paid (including dividend distribution tax paid net of dividend distribution tax credit)	-	(352.97)
Dividend paid by step-down subsidiary to non-controlling shareholders	-	(6.43)
Finance costs paid	(143.55)	(208.06)
Acquisition of non-controlling interest	(0.31)	(11.00)
Payment of lease liabilities	(94.75)	(92.81)
Net cash (used in) / generated from financing activities	**(2,241.05)**	**443.26**
Net increase in cash and cash equivalents	**759.02**	**1,351.37**
Cash and cash equivalents at the beginning of the year	**2,279.30**	**816.11**
Effect of exchange differences on restatement of foreign currency cash and cash equivalents	(113.06)	111.82
Cash and cash equivalents at the end of the year (refer note 12 (a))	**2,925.26**	**2,279.30**

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
Firm Registration No. 101248W/W-100022

S Sethuraman
Partner
Membership No.: 203491
Place: Chennai

Date: May 27, 2021

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

Raj Shankar
Vice Chairman and Managing Director
(DIN-00238790)
Place: Singapore

S V Krishnan
Chief Financial Officer and Whole-time Director
(DIN-07518349)
Place: Chennai

M Muthukumarasamy
Company Secretary
Place: Chennai

Consolidated Statement of Changes in Equity for the year ended March 31, 2021

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

Particulars	Equity share capital	Other Equity										Non-controlling interests	Total
		Reserves and surplus							Items of OCI		Total		
		Securities premium	Capital reserve	Statutory reserve	Capital redemption reserve	General reserve	Surplus in the statement of profit and loss	Stock compensation reserve	Foreign currency translation reserve	Re-measure ment of defined benefit liability			
Balance as at April 1, 2019	**77.82**	**220.76**	**71.44**	**0.92**	**2.22**	**107.39**	**3,050.10**	**21.47**	**363.99**	**(10.13)**	**3,828.16**	**344.67**	**4,250.65**
Adjustment on initial application of Ind AS 116, net of tax	-	-	-	-	-	-	(10.52)	-	-	-	(10.52)	-	(10.52)
Adjusted balance as at April 1, 2019	**77.82**	**220.76**	**71.44**	**0.92**	**2.22**	**107.39**	**3,039.58**	**21.47**	**363.99**	**(10.13)**	**3,817.64**	**344.67**	**4,240.13**
Total comprehensive income for the year ended March 31, 2020													
Profit for the year	-	-	-	-	-	-	515.21	-	-	-	515.21	18.71	533.92
Other comprehensive income for the year (net of taxes)	-	-	-	-	-	-	-	-	253.52	(7.95)	245.57	30.09	275.66
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**515.21**	**-**	**253.52**	**(7.95)**	**760.78**	**48.80**	**809.58**
Transactions with owners, recorded directly in equity													
Contributions by and distributions to owners													
Allotment of shares under Employee Stock Option Plan, 2008	-	0.05	-	-	-	-	-	-	-	-	0.05	-	0.05
Stock compensation expense	-	-	-	-	-	-	-	10.76	-	-	10.76	-	10.76
Final / Interim dividend paid (including dividend distribution tax paid net of dividend distribution tax credit)	-	-	-	-	-	-	(352.97)	-	-	-	(352.97)	-	(352.97)
Total contributions by and distributions to owners	**-**	**0.05**	**-**	**-**	**-**	**-**	**(352.97)**	**10.76**	**-**	**-**	**(342.16)**	**-**	**(342.16)**
Changes in ownership interests													
Acquisition of non-controlling interest	-	-	-	-	-	-	(5.23)	-	-	-	(5.23)	(5.77)	(11.00)
Total changes in ownership interests	**-**	**-**	**-**	**-**	**-**	**-**	**(5.23)**	**-**	**-**	**-**	**(5.23)**	**(5.77)**	**(11.00)**
Total transactions with owners	**-**	**0.05**	**-**	**-**	**-**	**-**	**(358.20)**	**10.76**	**-**	**-**	**(347.39)**	**(5.77)**	**(353.16)**
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(6.43)	(6.43)
Total changes in ownership interests in subsidiaries	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(6.43)**	**(6.43)**
Balance as at March 31, 2020	**77.82**	**220.81**	**71.44**	**0.92**	**2.22**	**107.39**	**3,196.59**	**32.23**	**617.51**	**(18.08)**	**4,231.03**	**381.27**	**4,690.12**

Consolidated Statement of Changes in Equity for the year ended March 31, 2021

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

Particulars	Equity share capital	Other Equity										Non-controlling interests	Total
		Reserves and surplus							Items of OCI		Total		
		Securities premium	Capital reserve	Statutory reserve	Capital redemption reserve	General reserve	Surplus in the statement of profit and loss	Stock compensation reserve	Foreign currency translation reserve	Re-measurement of defined benefit liability			
Balance as at April 1, 2020	**77.82**	**220.81**	**71.44**	**0.92**	**2.22**	**107.39**	**3,196.59**	**32.23**	**617.51**	**(18.08)**	**4,231.03**	**381.27**	**4,690.12**
Total comprehensive income for the year ended March 31, 2021													
Profit for the year	-	-	-	-	-	-	756.39	-	-	-	756.39	30.22	786.61
Other comprehensive income for the year (net of taxes)	-	-	-	-	-	-	-	-	(133.31)	1.06	(132.25)	(31.73)	(163.98)
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**756.39**	**-**	**(133.31)**	**1.06**	**624.14**	**(1.51)**	**622.63**
Transactions with owners, recorded directly in equity													
Contributions by and distributions to owners													
Allotment of shares under Stock Appreciation Rights Scheme, 2017	0.02	2.51	-	-	-	-	-	(2.51)	-	-	-	-	0.02
Stock compensation expense	-	-	-	-	-	-	-	1.84	-	-	1.84	-	1.84
Total contributions by and distributions to owners	**0.02**	**2.51**	**-**	**-**	**-**	**-**	**-**	**(0.67)**	**-**	**-**	**1.84**	**-**	**1.86**
Changes in ownership interests													
Acquisition of non-controlling interest	-	-	-	-	-	-	(1.14)	-	-	-	(1.14)	0.83	(0.31)
Total changes in ownership interests	-	-	-	-	-	-	**(1.14)**	-	-	-	**(1.14)**	**0.83**	**(0.31)**
Total transactions with owners	**0.02**	**2.51**	**-**	**-**	**-**	**-**	**(1.14)**	**(0.67)**	**-**	**-**	**0.70**	**0.83**	**1.55**
Dividend payable to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(7.62)	(7.62)
Total changes in ownership interests in subsidiaries	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(7.62)**	**(7.62)**
Balance as at March 31, 2021	**77.84**	**223.32**	**71.44**	**0.92**	**2.22**	**107.39**	**3,951.84**	**31.56**	**484.20**	**(17.02)**	**4,855.87**	**372.97**	**5,306.68**

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

S Sethuraman
Partner, Membership No.: 203491
Place: Chennai

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

Raj Shankar
Vice Chairman and Managing Director
(DIN-00238790)
Place: Singapore
Date: May 27, 2021

S V Krishnan
Chief Financial Officer and Whole-time Director
(DIN-07518349)
Place: Chennai

M Muthukumarasamy
Company Secretary
Place: Chennai

Notes to the consolidated financial statements for the year ended March 31, 2021

1. Company 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 Redington House, Centre Point, Plot No. 11 (SP), Thiru Vi Ka Industrial Estate, Guindy, Chennai 600 032, Tamil Nadu, India. The Company's equity shares are listed on the bourses of BSE Limited and National Stock Exchange of India Limited. During the year, the Company's commercial papers were also listed on the bourses of the BSE 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, as amended from time to time.

b. Functional currency and 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 and judgements

Estimation of uncertainties relating to the global health pandemic from COVID-19

In March 2020, the World Health Organisation declared COVID-19 to be a pandemic. A year later, as the world navigates the subsequent waves of COVID-19, the Group continues to adopt measures to curb the spread of infection to protect the health of its employees and ensure business continuity. The Group has considered internal and external information and has performed analysis based on current estimates by assessing the recoverability of assets including trade receivables, inventories and other current / non-current assets (net of provisions established) and impact on its leases for any possible effect on the consolidated financial statements.

The Group has also assessed the impact of this whole situation on its capital and financial resources, profitability, liquidity position, internal financial controls etc., and is of the view that based on its present assessment; the impact of COVID-19 does not materially affect the consolidated financial statements of the Group. The Group will continue to closely monitor any material changes to future economic conditions due to the ongoing pandemic.

Other estimates and judgements

The preparation of the consolidated financial statements in conformity with Ind AS requires the management to make estimates, judgements and assumptions 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, judgements and assumptions 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 of 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.

(ii) Revenue recognition

The Group has assessed its revenue arrangements based on substance of the transaction and business model against specific criteria to determine if it is acting as principal or agent.

(iii) 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.

(iv) 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.

(v) Taxation

The Group operates in multiple tax jurisdictions. Significant judgements are involved in determining the provision for current income taxes and contingencies, including judgment on whether tax positions are probable of being sustained in tax assessments and in determining the likelihood and magnitude of outflow of resources.

(vi) Stock Appreciation Rights

Compensation costs in respect of Stock Appreciation Rights (SAR) granted during the earlier 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.

(vii) Inventory obsolescence

Inventories are measured 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 level. Factors influencing these adjustments include changes in demand, rapid technological changes, product life cycle, product pricing, physical deterioration and other issues. Revisions to these adjustments would be required if these factors differ from the estimates.

(viii) 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 or carrying value of inventories. 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

Notes to the consolidated financial statements for the year ended March 31, 2021

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 or carrying value of inventories. Actual rebates may vary based on volume or other sales achievement levels, which may result in an increase or reduction in the estimated amounts previously accrued.

(ix) 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.

(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 estimate of the future cash flows expected to arise from cash-generating unit (CGU) and a suitable discount rate in order to calculate present value.

(xi) Impairment of financial assets

The Group 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 Group 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.

(xii) Determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

e. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There are no new standards or amendments to existing standards which are applicable from April 1, 2021. However, MCA issued notifications dated March 24, 2021, to amend Schedule III to the Companies Act, 2013 to enhance the disclosures required to be made by the Group in its financial statements. These amendments are applicable to the Group for the financial year starting April 1, 2021. The Group is evaluating the impact of such amendments to Schedule III on its consolidated financial statements.

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, 2021 and March 31, 2020)
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 *(refer note (i) below)*	Engaged in the business of providing warranty and post warranty services, annual maintenance contract services, on-site support services and other related services.	India	- (March 31, 2020: 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

Note:

i. Sold on July 31, 2020.

Notes to the consolidated financial statements for the year ended March 31, 2021

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, 2021 and March 31, 2020	
1	Redington Gulf FZE	Distribution of information technology products, providing hardware support and maintenance services.	Dubai, UAE	100	100
2	Redington Egypt Ltd. (Limited Liability Company)	Distribution of information technology products, providing hardware support and maintenance services.	Cairo, Egypt	100	100
3	Redington Gulf & Co. LLC	Distribution of information technology products, providing hardware support and maintenance services.	Muscat, Oman	70	100
4	Redington Kenya Limited	Distribution of information technology products, providing hardware support and maintenance services.	Nairobi, Kenya	100	100
5	Cadensworth FZE	Distribution of information technology products and spare parts.	Dubai, UAE	100	100
6	Redington Middle East LLC *(refer note (i) below)*	Distribution of information technology products, providing hardware support and maintenance services.	Dubai, UAE	49	100
7	Ensure Services Arabia LLC	Providing hardware support and maintenance services.	Riyadh, Kingdom of Saudi Arabia	100	100
8	Redington Qatar WLL *(refer note (i) and (v) below)*	Servicing of information technology products	Qatar	49	100
9	Ensure Services Bahrain S.P.C.	Providing hardware support and maintenance services.	Manama, Kingdom of Bahrain	100	100
10	Redington Qatar Distribution WLL *(refer note (i) below)*	Wholesale distribution of information technology products and spare parts.	Doha, Qatar	49	100
11	Redington Limited	Distribution of information technology products, providing hardware support and maintenance services.	Accra, Ghana	100	100
12	Redington Kenya (EPZ) Limited *(refer note (v) below)*	Distribution of information technology products, providing hardware support and maintenance services.	Nairobi, Kenya	100	100
13	Redington Uganda Limited	Distribution of information technology products, providing hardware support and maintenance services.	Kampala, Uganda	100	100
14	Cadensworth United Arab Emirates (LLC) *(refer note (i) below)*	Distribution of information technology products, providing hardware support and maintenance services	Dubai, UAE	49	100
15	Redington Tanzania Limited	Distribution of information technology products, providing hardware support and maintenance services.	Dar e saalam, Tanzania	100	100
16	Redington Morocco Ltd.	Distribution of information technology products, providing hardware support and maintenance services.	Casablanca, Morocco	100	100
17	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, 2021

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, 2021 and March 31, 2020	
18	Redington Gulf FZE Co *(refer note (ii) below)*	Distribution of information technology products, providing hardware support and maintenance services.	Erbil, Iraq	100	100
19	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
20	Arena Bilgisayar Sanayi ve Ticaret A.S. *(refer note (iii) below)*	Distribution of information technology and telecommunication products.	Istanbul, Turkey	49.40	49.40
21	Arena International FZE *(refer note (iii) below)*	Computer software trading, computer equipment requisites trading, telephones and telecommunication equipment trading, computer and data processing requisites trading.	Dubai, UAE	49.40	49.40
22	Redington Bangladesh Limited	Marketing, selling and maintenance of computer hardware, accessories and spare parts	Bangladesh	99	100
23	Redington SL Private Limited	Wholesale distribution of information technology products and spare parts	Sri Lanka	100	100
24	Redington Rwanda Ltd.	Distribution of information technology products, providing hardware support and maintenance services.	Kigali, Rwanda	100	100
25	Redington Kazakhstan LLP	Distribution of information technology and telecommunication products.	Almaty, Kazakhstan	100	100
26	Ensure Gulf FZE *(refer note (v) below)*	Providing hardware support and maintenance services.	Dubai, UAE	100	100
27	Ensure Technical Services (PTY) Ltd. *(refer note (ii) below)*	Providing hardware support and maintenance services.	KwaZulu-Natal, South Africa	100	100
28	Ensure Middle East Trading LLC *(refer note (i) and (v) below)*	Providing hardware support and maintenance services.	Dubai, UAE	49	100
29	Ensure Solutions Nigeria Limited *(refer note (v) below)*	Providing hardware support and maintenance services.	Lagos, Nigeria	99.90	100
30	Ensure Technical Services Kenya Limited *(refer note (v) below)*	Providing hardware support and maintenance services.	Nairobi, Kenya	100	100
31	Ensure Services Uganda Limited *(refer note (v) below)*	Providing hardware support and maintenance services.	Kampala, Uganda	100	100
32	Ensure Technical Services Tanzania Limited *(refer note (v) below)*	Providing hardware support and maintenance services.	Dar e saalam, Tanzania	100	100
33	Ensure Ghana Limited *(refer note (v) below)*	Providing hardware support and maintenance services.	Accra, Ghana	100	100
34	Proconnect Supply Chain Logistics LLC *(refer note (i) below)*	Providing logistic services.	Dubai, UAE	49	100

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, 2021 and March 31, 2020	
35	Ensure Technical Services Morocco Limited (Sarl) *(refer note (v) below)*	Providing hardware support and maintenance services.	Casablanca, Morocco	100	100
36	Redington Senegal Limited S.A.R.L.	Distribution of information technology and telecommunication products.	Dakar, Senegal	100	100
37	Redington Saudi Arabia Distribution Company *(refer note (x) below)*	Distribution of information technology and telecommunication products.	Riyadh, Saudi Arabia	75	100
38	PayNet Odeme Hizmetleri A.S. *(refer note (iii) below)*	Payment intermediation services	Istanbul, Turkey	49.40	49.40
39	CDW International Trading FZCO	Trading of information technology and telecommunication products.	Dubai, UAE	100	100
40	RNDC Alliance West Africa Limited	Distribution of information technology and telecommunication products.	Lagos, Nigeria	100	100
41	Redington Turkey Teknoloji A.S. (Formerly known as Linkplus Bilgisayar Sistemleri Sanayi ve Ticaret A.S.) *(refer note (viii) below)*	Distribution of information technology products.	Istanbul, Turkey	100	100
42	Ensure Middle East Technology Solutions LLC *(refer note (i) below)*	Providing hardware support and maintenance services.	Abu Dhabi, UAE	49	100
43	Rajprotim Supply Chain Solutions Limited *(refer note (ix) below)*	Providing Supply chain Management Services.	India	100	100
44	Proconnect Saudi LLC	Providing logistics services.	Riyadh, Saudi Arabia	100	100
45	Redserv Business Solutions Private Limited	Business process consulting and outsourcing.	Chennai, India	100	100
46	Redington Distribution Company	Distribution of information technology and telecommunication products.	Cairo, Egypt	99	100
47	Citrus Consulting Services FZ LLC *(refer note (vii) below)*	Providing technology consulting services	Dubai, UAE	100 *(March 31, 2020: 84.80)*	100 *(March 31, 2020: 84.80)*
48	Arena Mobile Iletisim Hizmetteri ve Turketici Elektronigi Sanayi ve Ticaret A.S. *(refer note (iii) below)*	Wholesale trade of mobile phones and other mobile devices.	Istanbul, Turkey	49.40	49.40
49	Online Elektronik Ticaret Hizmetleri A.S. *(refer note (iii) below)*	Online electronics retail and market.	Istanbul, Turkey	49.40	49.40
50	Paynet (Kibris) Odeme Hizmetleri Limited *(refer note (iii) below)*	Payment intermediation services.	Gazimagusa, Cyprus	49.40	49.40

Notes to the consolidated financial statements for the year ended March 31, 2021

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, 2021 and March 31, 2020	
51	Ensure Services Limited *(refer note (v) below)*	Providing hardware support and maintenance services.	Cairo, Egypt	99	100
52	Redington Cote d'Ivoire SARL	Distribution of information technology and telecommunication products.	Abidjan, Cote d'Ivoire	100	100
53	Auroma Logistics Private Limited *(refer note (iv) below)*	Primarily engaged in providing third party logistics solutions (3PL) comprising of warehouse management, handling of goods and transportation of goods.	India	100	100
54	Africa Joint Technical Services *(refer note (vi) below)*	Providing hardware support and maintenance services.	Tripoli, Libya	65	100
55	Redington Angola Ltd. *(refer note (vi) below)*	Distribution of information technology products, providing hardware support and maintenance services.	Luanda, Angola	100	100

Note:

i. 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 exercise 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 step-down subsidiaries and are consolidated.

ii. Yet to commence operations.

iii. 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 exercise 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.

iv. Merged with ProConnect Supply Chain Solutions Limited during the year. The merger is a common control transaction and consequently does not have any impact on the consolidated financial statements of the Group.

v. The businesses of these step-down subsidiaries, to the extent applicable, were transferred to other step-down subsidiaries, located in the respective countries within the Group and liquidation process, in respect of these step-down subsidiaries were initiated during the year.

vi. Operations ceased during the financial year 2016-17.

vii. Acquired the balance 15.20% stake during the year. (refer note 45 (a))

viii. Linkplus Bilgisayar Sistemleri Sanayi ve Ticaret A.S. has changed its name after the approval of the appropriate authorities to Redington Turkey Teknoloji A.S. (refer note 40).

ix. Initiated merger with ProConnect Supply Chain Solutions Limited during the year.

x. Subsequent to March 31, 2021, Redington Saudi Arabia Distribution Company became wholly owned subsidiary of Redington Gulf FZE.

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, 2021	
1	Redington Saudi for Trading	Wholesale of electronic household appliances, telecommunication products and cosmetics	Riyadh, Saudi Arabia	100	100

d. Associate of the Company

Name of the Company	Country of incorporation	Ownership/Beneficial interest % (As at March 31, 2021 and March 31, 2020)
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, 2021 and March 31, 2020)
Currents Technology Retail (India) Limited*	India	47.62

* The Group's proportionate share of total comprehensive income for the year ended March 31, 2021, is ₹ 0.16 crores. The group's share of net assets in line with the equity method of accounting as at April 1, 2020 was ₹ 0.33 crores. The group carried out an impairment assessment of its investment in associate and determined that the investments were impaired. Therefore, the net share of profit for the year is nil.

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, 2021. 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.

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 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:

i. Standalone financial statements of Redington (India) Limited, Ensure Support Services (India) Limited (until July 31, 2020) and consolidated financial statements of ProConnect Supply Chain Solutions Limited are prepared in accordance with Ind AS.

Notes to the consolidated financial statements for the year ended March 31, 2021

ii. Consolidated financial statements of Redington International Mauritius Limited is prepared in accordance with International Financial Reporting Standards (IFRS).

iii. Consolidated financial statements of Redington Distribution Pte Ltd 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:

i. 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.

ii. 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.

iii. 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.

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 disposal 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. The estimated useful lives of items of property, plant and equipment are as follows:

Class of asset	Years
Buildings	10-20
Plant and equipment	5-10
Furniture and fixtures	3-10
Office equipment	5-8
Computers	1-5
Vehicles	3-5

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 costs 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 put it to use,

– There is ability to use the intangible asset,

– There is an identifiable asset that will generate expected future economic benefits and

– There is an ability to measure reliably the expenditure attributable to the intangible asset during its development.

Otherwise, it is recognised in profit and loss as incurred

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
Trademark / Brand	5

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 method 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.

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	7-8
Contract based intangible assets	5

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 method 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 consolidation purposes, 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.

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.

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 the purposes of 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.

For the purposes of impairment testing, goodwill arising from a business combination is allocated to each of the Group's 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 a contract, the Group assesses whether a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange of an identified asset, the Group uses the definition of a lease in Ind AS 116.

As a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

– fixed payments, including in-substance fixed payments;

– variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

– amounts expected to be payable under a residual value guarantee; and

– the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in–substance fixed lease payment.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets and lease liabilities separately on the face of the balance sheet.

Short-term leases

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

As a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative standalone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

The Group applies de-recognition and impairment requirements under Ind AS 109 to the net investment in the lease. The Group further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'Other income' or 'Revenue from operations'.

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 estimated costs necessary to make the sale.

Notes to the consolidated financial statements for the year ended March 31, 2021

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 and Loss.

h. Revenue recognition

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.

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 from services is recognised over the period of time and in the accounting period in which the services are rendered.

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.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty. The Group has assessed its revenue arrangements based on the substance of the transaction and business model against specific criteria to determine if it is acting as principal or agent.

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.

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.

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 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 an 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 hence management considers that any provision for warranties or claims is not required.

m. Taxation

Current and deferred tax

Income tax expense comprises current tax expense and the net change in deferred tax asset or liability during the year. Current and deferred taxes are recognised in the Consolidated Statement of Profit and Loss 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.

Contingent liability is disclosed for all:

- Possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group (or)
- 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

- Engage in business activities from which the Group earns revenues and incur 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, and
- 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 use 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

Some 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.

The Group regularly reviews significant unobservable inputs and valuation adjustments. If third party information, is used to measure fair values, then the Group assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

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

Notes to the consolidated financial statements for the year ended March 31, 2021

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

i. Amortised cost

ii. 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):

i. The asset is held within a business model whose objective is to hold assets to collect contractual flows; and

ii. 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 and 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 Consolidated Statement of 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-recognised.

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 recognised as gain or loss in the Consolidated Statement of Profit and Loss.

Financial liabilities

Financial liability is de-recognised when its contractual obligations are discharged or cancelled or gets expired. 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, 2021

5. a. Property, plant and equipment

₹ in Crores

Particulars	Gross carrying value					Accumulated depreciation					Net carrying value	
	As at Apr 1, 2020	Additions	Deletions*	Translation adjustments	As at Mar 31, 2021	As at Apr 1, 2020	For the year	Deletions*	Translation adjustments	As at Mar 31, 2021	As at Mar 31, 2021	As at Mar 31, 2020
Land												
Current year	17.85	-	-	-	17.85	-	-	-	-	-	17.85	17.85
Previous year	*17.85*	*-*	*-*	*-*	*17.85*	*-*	*-*	*-*	*-*	*-*	*17.85*	*17.85*
Buildings**												
Current year	99.01	0.02	0.10	(1.72)	97.21	29.99	5.55	-	(0.91)	34.63	62.58	69.02
Previous year	*94.72*	*0.01*	*0.12*	*4.40*	*99.01*	*22.24*	*5.75*	*0.05*	*2.05*	*29.99*	*69.02*	*72.48*
Plant and Equipment												
Current year	38.75	3.93	7.40	(0.92)	34.36	23.10	5.91	1.60	(0.73)	26.68	7.68	15.65
Previous year	*40.15*	*8.73*	*12.36*	*2.23*	*38.75*	*18.10*	*4.50*	*1.17*	*1.67*	*23.10*	*15.65*	*22.05*
Furniture and fixtures												
Current year	76.93	14.13	28.84	(4.12)	58.10	42.66	10.53	19.89	(3.15)	30.15	27.95	34.27
Previous year	*62.20*	*8.55*	*4.48*	*10.66*	*76.93*	*26.67*	*11.22*	*3.41*	*8.18*	*42.66*	*34.27*	*35.53*
Office equipment												
Current year	49.15	3.93	7.77	(2.28)	43.03	35.38	4.89	4.01	(2.01)	34.25	8.78	13.77
Previous year	*43.26*	*2.58*	*2.62*	*5.93*	*49.15*	*26.88*	*5.16*	*1.78*	*5.12*	*35.38*	*13.77*	*16.38*
Computers												
Current year	53.47	7.65	6.52	(1.16)	53.44	37.38	7.81	6.49	(0.99)	37.71	15.73	16.09
Previous year	*45.67*	*10.75*	*5.74*	*2.79*	*53.47*	*30.53*	*9.10*	*4.55*	*2.30*	*37.38*	*16.09*	*15.14*
Vehicles												
Current year	13.49	2.84	3.45	(0.33)	12.55	6.03	2.74	2.39	(0.28)	6.10	6.45	7.46
Previous year	*12.51*	*3.43*	*3.32*	*0.87*	*13.49*	*5.07*	*2.86*	*2.63*	*0.73*	*6.03*	*7.46*	*7.44*
Tangible assets- Total												
Current year	**348.65**	**32.50**	**54.08**	**(10.53)**	**316.54**	**174.54**	**37.43**	**34.38**	**(8.07)**	**169.52**	**147.02**	**174.11**
Previous year	***316.36***	***34.05***	***28.64***	***26.88***	***348.65***	***129.49***	***38.59***	***13.59***	***20.05***	***174.54***	***174.11***	***186.87***

* Includes assets disposed consequent to disposal of subsidiary during the year ended March 31, 2021 (refer note 43) and assets classified as Right-of-use assets during the year March 31, 2020.
** 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.

5. b. Intangible assets

₹ in Crores

Particulars	Gross carrying value					Accumulated depreciation						Net carrying value	
	As at Apr 1, 2020	Additions	Deletions*	Translation adjustments	As at Mar 31, 2021	As at Apr 1, 2020	For the year	Deletions*	Impairment loss	Translation adjustments	As at Mar 31, 2021	As at Mar 31, 2021	As at Mar 31, 2020
Software													
Current year	151.74	24.79	4.54	(4.73)	167.26	84.15	31.47	4.23	-	(3.74)	107.65	59.61	67.59
Previous year	*87.45*	*55.87*	*2.49*	*10.91*	*151.74*	*53.85*	*24.31*	*2.44*	*-*	*8.43*	*84.15*	*67.59*	*33.60*
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	256.13	-	-	(8.64)	247.49	55.72	-	-	6.34	(1.99)	60.07	187.42	200.41
Previous year	*234.10*	*-*	*-*	*22.03*	*256.13*	*50.93*	*-*	*-*	*-*	*4.79*	*55.72*	*200.41*	*183.17*
Customer relationship (refer note 40)													
Current year	36.65	-	-	(0.73)	35.92	15.04	6.95	-	-	(0.51)	21.48	14.44	21.61
Previous year	*34.79*	*-*	*-*	*1.86*	*36.65*	*8.98*	*4.07*	*-*	*0.94*	*2.93*	*15.04*	*21.61*	*25.81*
Contract based intangible assets													
Current year	8.64	-	-	-	8.64	7.38	1.00	-	-	-	8.38	0.26	1.26
Previous year	*8.64*	*-*	*-*	*-*	*8.64*	*5.82*	*1.56*	*-*	*-*	*-*	*7.38*	*1.26*	*2.82*
Trademark / Brand													
Current year	0.80	-	-	-	0.80	-	0.16	-	-	-	0.16	0.64	0.80
Previous year	*-*	*0.80*	*-*	*-*	*0.80*	*-*	*-*	*-*	*-*	*-*	*-*	*0.80*	*-*
Intangible assets-Total													
Current year	**456.89**	**24.79**	**4.54**	**(14.10)**	**463.04**	**165.22**	**39.58**	**4.23**	**6.34**	**(6.24)**	**200.67**	**262.37**	**291.67**
Previous year	***367.91***	***56.67***	***2.49***	***34.80***	***456.89***	***122.51***	***29.94***	***2.44***	***0.94***	***16.15***	***165.22***	***291.67***	***245.40***

* Includes assets disposed consequent to disposal of subsidiary during the year ended March 31, 2021 (refer note 43).

Notes to the consolidated financial statements for the year ended March 31, 2021

5. c. Carrying amounts of intangible assets with finite and indefinite useful lives are as follows:

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
With finite useful life	74.95	91.26
With indefinite useful life	187.42	200.41
Total	**262.37**	**291.67**

6. Goodwill

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Balance at the beginning of the year	**18.38**	**22.03**
Less: Impairment loss (refer note 40)	-	(3.74)
Add: Currency translation adjustment	(0.08)	0.09
Balance at the end of the year	**18.30**	**18.38**

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, 2021	March 31, 2020
Redington Turkey Teknoloji A.S. (Formerly known as Linkplus Bilgisayar Sistemleri Sanayi ve Ticaret A.S.)	2.56	2.64
ProConnect Supply Chain Solutions Limited ("ProConnect") *(Previous year: Auroma Logistics Private Limited ("Auroma")*)*	15.74	15.74
Total	**18.30**	**18.38**

*Merged with ProConnect during the year ended March 31, 2021.

The recoverable amount of the cash-generating units (to which goodwill and trade name are allocated) related to Redington Turkey Teknoloji A.S. and ProConnect 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% (Previous year: 1.5%) for Redington Turkey Teknoloji A.S. and 4.5% (Previous year: 5%) for ProConnect is applied, at a weighted average cost of capital of 17.58% (Previous year: 20.67%) for Redington Turkey Teknoloji A.S. and 16.58% (Previous year: 18%) per annum for ProConnect.

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 43%.

a. Income tax expense recognised during the year

₹ in Crores

Particulars	Year ended March 31, 2021		Year ended March 31, 2020	
	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	258.03	-	141.99	-
Deferred tax	(5.50)	0.46	16.37	(0.17)
Tax expenses in respect of earlier years (refer note 46)	88.99	-	-	-
Total	**341.52**	**0.46**	**158.36**	**(0.17)**

b. Movement in income tax assets (net)

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Balance at the beginning of the year (net)	**147.93**	**105.12**
Less: Provision during the year	(5.89)	(4.62)
Less: Assets disposed on sale of subsidiary (refer note 43)	(2.35)	-
Add: Taxes paid (net of refund received)	(26.59)	47.43
Balance at the end of the year (net)	**113.10**	**147.93**

c. Movement in current tax liabilities (net)

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Balance at the beginning of the year (net)	**93.54**	**32.44**
Add: Provision during the year	341.13	137.37
Less: Taxes paid (net of refund received)	(289.98)	(80.50)
Currency translation adjustment	(2.31)	4.23
Balance at the end of the year (net)	**142.38**	**93.54**

d. Reconciliation of effective tax rate

₹ in Crores

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Profit before tax (a)	1,128.13	692.28
Enacted tax rate in India (b)	25.17%	25.17%
Income tax expense (a*b)	283.95	174.25
Effect of differences in tax rates of subsidiaries operating in other jurisdictions	(56.68)	(93.08)
Effect of exempted income	(0.13)	(2.55)
Effect of Chapter VIA deduction of Income-tax Act,1961	-	(0.73)
Effect of tax incentives	(0.20)	(5.60)
Effect of non-deductible expense	13.50	27.50
Impact of change in tax rates	1.28	4.69
Current year losses, for which no deferred tax was recognised (refer note 8)	1.78	4.66
Unrecognised temporary differences	0.19	8.74
Others	8.84	40.48
Income tax expense recognized in profit and loss*	**252.53**	**158.36**

* Income tax expenses excludes Tax expenses in respect of earlier years of ₹ 88.99 crores.

During the previous year, the Company elected to exercise the option of reduced income-tax rates permitted under section 115BAA of the Income tax Act, 1961, as introduced by the Taxation Laws (Amendment) Ordinance, 2019.

Notes to the consolidated financial statements for the year ended March 31, 2021

8. Deferred taxes

Break-up of recognized deferred tax assets (net) and movements in temporary differences

a. For the year ended March 31, 2021

₹ in Crores

Particulars	Balance at the beginning of the year	Recognised in the Statement of Profit and Loss	Recognised in the other comprehensive income	Assets disposed on sale of subsidiary*	Currency translation adjustment	Balance at the end of the year
Allowance for impairment of trade receivables and other financial assets	14.94	(1.99)	-	(1.19)	(0.11)	11.65
Gratuity	7.51	0.60	(0.65)	(0.74)	0.01	6.73
Compensated absences	3.49	0.77	-	-	-	4.26
Property, plant and equipment and other intangible assets	(1.01)	3.99	-	(1.40)	0.01	1.59
Leases (net)	0.24	(0.92)	-	(0.33)	-	(1.01)
Others	4.78	1.04	0.19	(0.24)	(0.06)	5.71
Total	**29.95**	**3.49**	**(0.46)**	**(3.90)**	**(0.15)**	**28.93**

*Refer note 43

b. For the year ended March 31, 2020

₹ in Crores

Particulars	Balance at the beginning of the year	Recognised in the Statement of Profit and Loss	Recognised in the other comprehensive income	Amounts recorded directly in equity upon adoption of Ind AS 116	Currency translation adjustment	Balance at the end of the year
Allowance for impairment of trade receivables and other financial assets	24.04	(9.49)	-	-	0.39	14.94
Gratuity	8.35	(1.12)	0.17	-	0.11	7.51
Compensated absences	2.04	1.45	-	-	-	3.49
Property, plant and equipment and other intangible assets	1.37	(2.35)	-	-	(0.03)	(1.01)
Leases (net)	-	(2.34)	-	2.58	-	0.24
Others	4.34	0.81	-	-	(0.37)	4.78
Total	**40.14**	**(13.04)**	**0.17**	**2.58**	**0.10**	**29.95**

Break-up of deferred tax liabilities (net) and movements in temporary differences

a. For the year ended March 31, 2021

₹ 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
Others	4.90	(2.01)	(0.14)	2.75
Total	**4.90**	**(2.01)**	**(0.14)**	**2.75**

b. For the year ended March 31, 2020

₹ 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
Gratuity	(1.67)	1.67	-	-
Property, plant and equipment and other intangible assets	4.48	(4.48)	-	-
Others	(1.28)	6.14	0.04	4.90
Total	**1.53**	**3.33**	**0.04**	**4.90**

Unrecognised deferred tax assets

Consequent to the sale of the Company's investment in its wholly owned subsidiary Easy access 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 ₹ 15.16 crores. Out of this, ₹ 2.49 crores was recognized against realized long-term capital gain in an earlier year and ₹ 5.97 crores adjusted during the financial year 2020-21. The balance Deferred Tax Asset of ₹ 6.70 crores will be recognized as and when there is a long-term capital gain in the future. These unrecognized deferred tax assets will expire over a period of 1 to 5 years.

Also, during the year ended March 31, 2021, deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available in one of the subsidiaries:

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Deductible temporary differences (refer note 7 (d))	0.19	8.74
Tax losses (refer note 7 (d))	6.44	4.66
Total	**6.63**	**13.40**

Unrecognised deferred tax liabilities

As at March 31, 2021, deferred tax liability in respect of temporary differences related to investments in subsidiary has not been recognized 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 such that the reversal is in a tax free manner (resulting in no tax liability).

9. Other non-current assets

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Unsecured and considered good		
Capital advances	0.02	0.37
Receivable from Government authorities	78.05	75.83
Others	2.70	2.36
Total	**80.77**	**78.56**

10. Inventories

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Trading stocks (net)	2,694.99	3,458.99
Goods in transit	162.35	161.99
Service spares (net)	44.77	51.78
Total	**2,902.11**	**3,672.76**

During the year ended March 31, 2021, the Group recorded inventory write back of ₹ 47.48 crores (Previous year: inventory write down of ₹ 29.90 crores).

Also refer note 20 (a).

11. Trade receivables

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Unsecured		
Considered good	6,800.67	7,032.00
Considered doubtful / credit impaired	166.28	162.56
	6,966.95	**7,194.56**
Less: Allowance for doubtful / credit impaired trade receivables	(166.28)	(162.56)
Total trade receivables	**6,800.67**	**7,032.00**
Of the above, amount receivable from related parties (refer note 37)	-	0.05

Also refer note 20 (a).

Notes to the consolidated financial statements for the year ended March 31, 2021

12. a. Cash and cash equivalents

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Cash on hand	2.42	1.87
Balance in current accounts	1,498.75	1,898.47
Short-term deposits*	1,437.41	443.20
Cash and cash equivalents as per Consolidated Balance Sheet	**2,938.58**	**2,343.54**
Less: Bank overdrafts used for cash management purposes	(13.32)	(64.24)
Cash and cash equivalents as per the Consolidated Statement of Cash Flows	**2,925.26**	**2,279.30**

* Short-term deposits have an original maturity period of 3 months or less

b. Other bank balances

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
(i) In deposit accounts	545.02	23.65
(ii) In earmarked accounts		
a. Margin money with banks*	9.21	9.69
b. Unclaimed dividend	0.16	0.20
Total	**554.39**	**33.54**

* 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, 2021	March 31, 2020
Unsecured, considered good		
Loans to related parties		
Currents Technology Retail (India) Limited	-	6.90
Less: Loss allowances	-	(6.90)
	-	**-**
Secured, considered good		
Loans to body corporates	-	2.00
	-	**2.00**
Secured, considered doubtful		
Loans to body corporates	12.00	10.00
Less: Loss allowances*	(12.00)	(10.00)
	-	**-**
Total	**-**	**2.00**

*During the year ended March 31, 2020, the Company's subsidiary ProConnect Supply Chain Solutions Limited ('ProConnect') had given ₹ 12 crores as loan to Rajprotim Agencies Private Limited ('RAPAL'). ProConnect has carried out recoverability assessment on the balance receivable from RAPAL, vendor for Rajprotim Supply Chain Solutions Limited ('RCS'), subsidiary of ProConnect. Based on such assessment, the management has recorded ₹ 12 crores (Previous year: ₹ 10 crores) as loss allowance for loan given to RAPAL.

The above loans are given for working capital purposes.

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

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Currents Technology Retail (India) Limited	-	32.00
Total	**-**	**32.00**

14. Other financial assets

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Current		
Unsecured, considered good		
Deposits	22.63	20.70
Current maturities of finance lease receivable	0.79	0.83
Derivative financial asset (refer note 34)	1.38	22.23
Vendor receivables	146.64	114.85
Interest accrued but not due	4.73	-
Interest accrued and due	3.92	1.97
Others	31.65	50.93
Less: Allowance for impairment of other financial assets	(12.94)	(11.84)
Total	**198.80**	**199.67**
Non-current		
Unsecured, considered good		
Deposits	16.66	16.23
Finance lease receivable	3.83	3.76
Others	-	0.25
Total	**20.49**	**20.24**

Finance lease receivable as at March 31, 2021 is as follows:

₹ in Crores

Particulars	Future minimum lease payments (MLP)	Interest element of MLP	Present value of MLP
Within one year	1.46	0.67	0.79
Between one and five years	4.97	1.14	3.83
More than five years	-	-	-
Total	**6.43**	**1.81**	**4.62**

Finance lease receivable as at March 31, 2020 is as follows:

₹ in Crores

Particulars	Future minimum lease payments (MLP)	Interest element of MLP	Present value of MLP
Within one year	1.38	0.55	0.83
Between one and five years	4.31	1.25	3.06
More than five years	0.74	0.04	0.70
Total	**6.43**	**1.84**	**4.59**

Notes to the consolidated financial statements for the year ended March 31, 2021

15. Other current assets

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Unsecured, considered good		
Advances to employees	4.04	4.49
Prepayments	49.59	43.18
Receivable from Government authorities	127.31	138.78
Advances to suppliers	77.72	158.07
Others	46.85	25.63
Unsecured, considered doubtful		
Others	22.39	20.69
Less: Allowance for impairment of other current assets	(22.39)	(20.69)
Total	**305.51**	**370.15**

16. 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, 2021	March 31, 2020
Authorized capital 42,50,00,000 (previous year: 42,50,00,000) equity shares of ₹ 2/- each	**85.00**	**85.00**
Issued, subscribed and fully paid up 38,92,19,272 (previous year: 38,90,87,750) equity shares of ₹ 2/- each fully paid up	77.84	77.82
Total	**77.84**	**77.82**

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

Particulars	Year ended March 31, 2021		Year ended March 31, 2020	
	No of shares	₹ in Crores	No of shares	₹ in Crores
At the beginning of the year	38,90,87,750	77.82	38,90,81,315	77.82
Allotment of shares under Employee Stock Option Plan, 2008	-	-	6,435	^
Allotment of shares under Stock Appreciation Right Scheme, 2017	1,31,522	0.02	-	-
Outstanding at the end of the year	**38,92,19,272**	**77.84**	**38,90,87,750**	**77.82**

^ Represents value less than ₹ 0.01 crore.

Terms / Rights attached to equity shares

Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian rupees.

For details of dividend declared subsequent to balance sheet date refer note 48.

Equity share movement during 5 years preceding March 31, 2021

1,11,20,000 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.

The Company has not issued any bonus shares and has not issued any shares for which payment has been received by way of consideration other than cash.

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

Particulars	March 31, 2021	
	No. of shares held	% of Share holding
Synnex Mauritius Limited	9,42,95,940	24.23
Marina IV (Singapore) Pte.Ltd	3,94,25,695	10.13
HDFC Trustee Company Limited	3,59,90,019	9.25

Particulars	March 31, 2020	
	No. of shares held	% of Share holding
Synnex Mauritius Limited	9,42,95,940	24.24
Marina IV (Singapore) Pte.Ltd	3,94,25,695	10.13
HDFC Trustee Company Limited	3,59,90,019	9.26

Shares reserved for issue under Stock Appreciation Right Scheme, 2017:

Particulars	March 31, 2021	March 31, 2020
Stock Appreciation Right Scheme, 2017*	**38,86,300**	**66,75,900**

* Represents outstanding number of SARs as at the respective year end. The number of shares that would be issued on conversion of the SARs is based on the terms of the Stock Appreciation Right Scheme, 2017. Refer note 42 for further details.

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, 2021	March 31, 2020
Debt- Current	434.34	2,537.48
Debt- Non-current	4.56	-
Current maturities of long-term borrowings	6.08	-
Less: Cash and cash equivalents and other bank balances	(3,492.97)	(2,377.08)
Net debt (a)	**(3,047.99)**	**160.40**
Total equity	5,306.68	4,690.12
Less: Goodwill	(18.30)	(18.38)
Adjusted equity (b)	**5,288.38**	**4,671.74**
Net debt / equity ratio (a/b)	**(0.58)**	**0.03**

17. Other equity

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
a. Securities premium		
Opening balance	220.81	220.76
Add: Premium on allotment of shares under Employee Stock Option Plan, 2008	-	0.05
Add: Premium on allotment of shares under Stock Appreciation Right Scheme, 2017	2.51	-
Balance at the end of the year	**223.32**	**220.81**

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

Notes to the consolidated financial statements for the year ended March 31, 2021

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
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, 2021	March 31, 2020
c. Statutory reserves		
Opening balance	0.92	0.92
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, 2021	March 31, 2020
d. Capital redemption reserve		
Opening balance	2.22	2.22
Balance at the end of the year	**2.22**	**2.22**

Capital redemption reserve represents the nominal value of the share capital extinguished on buyback of Company's purchase of its own shares in FY 2018-19 in accordance with Section 69 of the Companies Act, 2013.

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
e. Foreign currency translation reserve		
Opening balance	617.51	363.99
Movement during the year	(133.31)	253.52
Balance at the end of the year	**484.20**	**617.51**

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, 2021	March 31, 2020
f. General reserve		
Opening balance	107.39	107.39
Balance at the end of the year	**107.39**	**107.39**

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, 2021	March 31, 2020
g. Re-measurement of defined benefit obligation		
Opening balance	(18.08)	(10.13)
Movement during the year	1.06	(7.95)
Balance at the end of the year	**(17.02)**	**(18.08)**

Retirement Benefit Obligation reserve represents accumulated balances of actuarial gains/(losses), arising out of employee defined benefit obligation and will not be subsequently reclassified to Consolidated Statement of Profit and Loss. This reserve is not a distributable reserve.

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
h. Surplus in the Consolidated Statement of Profit and Loss		
Opening balance	3,196.59	3,050.10
Less: Adjustment on initial application of Ind AS 116 (net of taxes)	-	(10.52)
Adjusted opening balance	3,196.59	3,039.58
Add: Profit for the year	756.39	515.21
Less: Final / Interim dividend paid (including dividend distribution tax paid net of dividend distribution tax credit)	-	(352.97)
Less: Acquisition of non-controlling interest (refer note 45)	(1.14)	(5.23)
Balance at the end of the year	**3,951.84**	**3,196.59**

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, 2021	March 31, 2020
i. Stock compensation reserve		
Opening balance	32.23	21.47
Add: Stock compensation expenses	1.84	10.76
Less: Transfer to securities premium on exercise of SAR	(2.51)	-
Balance at the end of the year	**31.56**	**32.23**

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.

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
j. Share application money pending allotment		
Balance at the end of the year	^	-

^Represents value less than ₹ 0.01 crore. Refer note 18 for movement and details of share application money pending allotment.

18. Share application money pending allotment

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Opening balance	-	-
Add: Application money received for exercised options	0.03	-
Less: Shares issued for exercised options	(0.03)	-
Balance at the end of the year	**^**	-

^ Represents value less than ₹ 0.01 crore.

Share application money pending allotment represents the amount received on exercise of stock options by the eligible employees under the Stock Appreciation Right Scheme, 2017 of the Company for which allotment is yet to be made.

Notes to the consolidated financial statements for the year ended March 31, 2021

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

Particulars	Proportion of ownership interests held by non-controlling interests (%)		Profit (Loss) allocated to non-controlling interests		Accumulated non-controlling interests	
	2020-21	2019-20	2020-21	2019-20	March 31, 2021	March 31, 2020
Arena Bilgisayar Sanayi ve Ticaret A.S	50.60	50.60	30.22	20.92	372.97	382.13
Citrus Consulting Services FZ- LLC*	-	15.20	-	(0.72)	-	(0.86)
Rajprotim Supply Chain Solutions Limited**	-	-	-	(1.85)	-	-
Auroma Logistics Private Limited (Merged with ProConnect)**	-	-	-	0.36	-	-
Total			**30.22**	**18.71**	**372.97**	**381.27**

*NCI acquired by Redington Gulf FZE during the year ended March 31, 2021. Also refer note 45.

**NCI acquired by ProConnect during the year ended March 31, 2020. Also refer note 45.

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, 2021	March 31, 2020
Current assets	1,646.95	1,424.69
Non-current assets	43.56	33.94
Current liabilities	1,116.64	869.43
Non-current liabilities	25.79	29.63
Equity attributable to the shareholders of Arena	548.08	559.57

₹ in Crores

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Revenue	5,334.91	4,225.36
Profit for the year attributable to equity holders of Arena	59.72	41.00
Profit for the year attributable to non-controlling interest	-	0.18
Total comprehensive income attributable to equity holders of Arena	22.61	35.65
Total comprehensive income attributable to non-controlling interest	-	0.46
Total comprehensive income	**22.61**	**36.11**
Net cash from operating activities	151.14	81.49
Net cash (used in) investing activities	(23.24)	(10.37)
Net cash from / (used in) financing activities	(113.15)	70.80

Notes to the consolidated financial statements for the year ended March 31, 2021

20. Borrowings

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Current		
Secured		
Loans from banks (refer note a)	39.67	1,672.22
Unsecured		
Loans from banks (refer note b)	392.69	460.19
Loans from others	1.98	10.79
Commercial paper (refer note c)	-	394.28
Total	**434.34**	**2,537.48**
Non-current		
Secured		
Loans from banks (refer note a)	4.56	-
Total	**4.56**	**-**

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, both present and future. The loan is repayable on demand.

ii. Loans availed by the Company's Indian subsidiary (ProConnect) from banks under

A. Cash credit facility are secured by a pari-passu charge on all receivables / book debts of ProConnect.

B. Overdraft facilities are secured by fixed deposits and exclusive first charge on income tax assets of ProConnect.

C. Term loans are secured by movable fixed assets and first pari-passu charge over book debts both present and future, exclusive charge on the security deposits of the ProConnect and its subsidiaries, both present and future.Certain loan covenants were not met with respect to a term loan amounting ₹ 11.35 crores. The Group is in process of obtaining the waiver and believes that the risk of covenant being breached in future is low. Since these covenants were breached as at March 31, 2021, this term loan has been classified as current.

iii. Loans availed by the respective overseas subsidiaries from banks amounting to ₹ nil crores (Previous year: ₹ 848.96 crores) are secured by assignment of insurance policies over inventories on a pari-passu basis of the respective overseas subsidiaries.

b. Other loans availed by the respective overseas subsidiaries are repayable within one year and are at floating rates of interest.

c. Commercial paper is unsecured and the maximum amount outstanding at any time during the year was ₹ 394.28 crores (Previous year: ₹ 1,534.73 crores). The Company's commercial papers were listed on the bourses of BSE Limited. The funds raised from the commercial paper were utilised for working capital purposes.

Notes to the consolidated financial statements for the year ended March 31, 2021

Movement in bank borrowings for the year ended March 31, 2021

₹ in Crores

Particulars	Loans from Bank	Loans from Others	Commercial Paper	Total
Balance at the beginning of the year				
- Included under borrowings (refer note 20)	2,132.41	10.79	394.28	**2,537.48**
- Included under other financial liabilities (refer note 23)*	3.59	-	-	**3.59**
Details of borrowings with a maturity of over 90 days				
Loans availed during the year	373.16	-	-	**373.16**
Repayments made during the year	(651.80)	(8.67)	(98.56)	**(759.03)**
Details of borrowings with a maturity of 90 days or less				
Loans availed during the year	7,806.47	-	-	**7,806.47**
Repayments made during the year	(9,127.34)	-	(295.72)	**(9,423.06)**
Movement in bank overdrafts^	(50.69)	-	-	**(50.69)**
Finance costs	130.85	6.28	3.67	**140.80**
Interest paid	(133.60)	(6.28)	(3.67)	**(143.55)**
Effects of changes in foreign exchange rates	(39.04)	(0.14)	-	**(39.18)**
Balance at the end of the year				
- Included under borrowings (refer note 20)	**436.92**	**1.98**	**-**	438.90
- Included under other financial liabilities (refer note 23)	**7.09**	**-**	**-**	7.09

Movement in bank borrowings for the year ended March 31, 2020

₹ in Crores

Particulars	Loans from Bank	Loans from Others	Commercial Paper	Finance lease obligations	Total
Balance at the beginning 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**
Details of borrowings with a maturity of over 90 days					
Loans availed during the year	663.71	6.41	98.56	-	**768.68**
Repayments made during the year	(905.58)	(18.72)	-	-	**(924.30)**
Details of borrowings with a maturity of 90 days or less					
Loans availed during the year	15,206.25	10.67	6,723.67	-	**21,940.59**
Repayments made during the year	(13,835.96)	(10.67)	(6,823.86)	-	**(20,670.49)**
Movement in bank overdrafts^	17.26	-	-	-	**17.26**
Finance costs	122.90	7.37	68.18	-	**198.45**
Interest paid	(135.79)	(4.09)	(68.18)	-	**(208.06)**
Finance lease obligations reclassified to lease liabilities upon adoption Ind AS 116	-	-	-	(10.26)	**(10.26)**
Effects of changes in foreign exchange rates	119.46	(1.51)	-	-	**117.95**
Balance at the end of the year					
- Included under borrowings (refer note 20)	**2,132.41**	**10.79**	**394.28**	**-**	2,537.48
- Included under other financial liabilities (refer note 23)	**3.59**	**-**	**-**	**-**	3.59

* Represents interest accrued and not due and current maturities of long-term borrowings 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.

21. Provisions

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Current		
Provision for compensated absences	21.91	18.97
Provision for gratuity	2.49	1.97
Total	**24.40**	**20.94**
Non-current		
Provision for compensated absences	8.38	8.71
Provision for gratuity	118.64	116.05
Total	**127.02**	**124.76**

Movement in Provision for Gratuity

₹ in Crores

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Defined benefit obligation at the beginning of the year	**118.02**	**91.76**
Current service cost	17.40	21.57
Interest cost	3.36	3.21
Actuarial (gain) / loss recognized in other comprehensive income	(1.71)	8.12
Benefits paid	(10.31)	(14.01)
Provisions disposed on sale of subsidiary (refer note 43)	(2.64)	-
Currency translation adjustment	(2.99)	7.37
Defined benefit obligation at the end of the year	**121.13**	**118.02**
Current	**2.49**	**1.97**
Non-current	**118.64**	**116.05**

Expenses recognized in the Consolidated Statement of Profit and Loss and other comprehensive income:

The current service cost and the interest cost for the year are included in the 'employee benefits expense' and 'finance costs' respectively, in the Consolidated Statement of Profit and Loss.

₹ in Crores

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Cost of the defined plan for the year		
Current service cost	17.40	21.57
Interest cost	3.36	3.21
Total cost recognized in the Consolidated Statement of Profit and Loss	**20.76**	**24.78**
Actuarial (gain) / loss	(1.71)	8.12
Total cost recognized in other comprehensive income	**(1.71)**	**8.12**

Principal actuarial assumptions considered for the valuation of defined benefit liability relating to the Group are as follows:

₹ in Crores

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Discount rate	1.85% to 6.76%	3.00% to 7.00%
Salary escalation rate	7.00% to 10.00%	3.00% to 10.00%
Attrition rate	10.00% to 18.00%	5.00% to 19.00%
Weighted average duration of defined benefit obligation	5.56 to 10 years	5.26 to 20 years
Demographic assumptions – mortality	IALM 2012-14 Ultimate (India) / AM80 (Overseas)	IALM 2012-14 Ultimate (India) / AM80 (Overseas)

Notes to the consolidated financial statements for the year ended March 31, 2021

Sensitivity analysis

The Group applies 1% as the sensitivity rate while ascertaining the impact of change in one of the actuarial assumptions, keeping other assumptions constant, on the defined benefit obligation. Following is the effect on defined benefit obligation:

₹ in Crores

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Increase of 1% in assumptions	**Increase/ (decrease) in defined benefit obligation**	**Increase/ (decrease) in defined benefit obligation**
Discount rate	(5.77)	(6.10)
Salary escalation rate	2.47	7.16
Attrition rate	(0.20)	(0.25)
Decrease of 1% in assumptions	**Increase/ (decrease) in defined benefit obligation**	**Increase/ (decrease) in defined benefit obligation**
Discount rate	6.58	6.98
Salary escalation rate	(2.43)	(6.34)
Attrition rate	0.23	0.28

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the consolidated balance sheet.

22. Trade payables

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Total outstanding dues of micro enterprises and small enterprises	4.49	34.63
Total outstanding dues of creditors other than micro enterprises and small enterprises	7,295.46	6,240.52
Total	**7,299.95**	**6,275.15**

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 undisputed 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, 2021	March 31, 2020
Amount due to vendor		
- Principal	4.49	34.63
- 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, 2021

23. Other financial liabilities

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Unclaimed dividend*	0.16	0.20
Supplier credit arrangements	33.47	27.54
Interest accrued but not due on borrowings	1.01	3.59
Current maturities of long-term borrowings	6.08	-
Other liabilities	194.02	153.84
Total	**234.74**	**185.17**
Current	**228.21**	**184.79**
Non-current	**6.53**	**0.38**

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

24. Other current liabilities

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Unamortised revenue	52.26	6.33
Statutory liabilities	214.35	136.11
Advances / deposits received from customers	290.94	155.29
Dues to employees	117.96	69.61
Other liabilities	127.81	119.60
Total	**803.32**	**486.94**

25. Revenue from operations

₹ in Crores

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Sale of goods	55,530.00	50,138.26
Sale of services	1,403.65	1,320.04
Other operating revenues	12.21	6.87
Total	**56,945.86**	**51,465.17**

Revenue disaggregation by geography is as follows:

₹ in Crores

Geography	Year ended March 31, 2021	Year ended March 31, 2020
India	22,827.36	18,789.68
Overseas	34,118.50	32,675.49
Total	**56,945.86**	**51,465.17**

26. Other income (net)

₹ in Crores

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest income under effective interest rate method on loans and deposits	50.44	22.73
Interest from dealers	7.08	10.97
Income from short-term investments	1.87	3.26
Interest income on income tax refund	6.18	-
Gain on sale of property, plant and equipment (net)	1.29	0.96
Gain on disposal of subsidiary (refer note 43)	4.40	-
Other non-operating income	24.47	10.69
Total	**95.73**	**48.61**

Notes to the consolidated financial statements for the year ended March 31, 2021

27. Employee benefits expense

₹ in Crores

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Salaries and bonus	767.26	729.16
Contribution to provident fund and other funds	12.28	10.61
Staff welfare expenses	33.20	11.68
Gratuity (refer note 21)	17.40	21.57
Stock compensation expense (refer note 42)	1.84	10.76
Total	**831.98**	**783.78**

28. Finance Costs

₹ in Crores

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest on borrowings	132.02	191.09
Interest on lease liabilities	15.64	20.61
Other borrowing costs	8.78	7.36
Total	**156.44**	**219.06**

29. Depreciation and amortisation expense

₹ in Crores

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Depreciation of property, plant and equipment (refer note 5 (a))	37.43	38.59
Depreciation of right-of-use assets (refer note 33)	71.19	86.87
Amortisation of Intangible assets (refer note 5 (b))	39.58	29.94
Total	**148.20**	**155.40**

30. Other expenses

₹ in Crores

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Rent (refer note 33)	58.71	37.92
Freight	177.91	208.52
Repairs and maintenance	42.60	37.99
Travel and conveyance	15.72	44.13
Communication	18.84	21.96
Professional charges	46.62	41.26
Insurance	58.72	62.81
Sales promotion expenses	89.00	112.60
Warehouse handling charges	38.57	29.07
Bad debts*	5.39	17.33
Allowance for impairment of trade receivables	42.36	43.26
Auditors' remuneration (including remuneration to subsidiaries' auditors)	8.37	10.32
Exchange loss (net)	19.45	9.47
Outsourced resource cost	120.19	116.00
Bank charges	48.31	69.66
Corporate social responsibility expenditure (refer note 39)	9.28	6.44
Allowance for impairment of other financial assets	3.71	18.79
Allowance for impairment of other current assets	2.09	20.69
Software expenses	46.59	32.09
Factoring charges	20.41	0.35
Other expenses	96.69	69.64
Total	**969.53**	**1,010.30**

* The amounts of bad debts written off against allowance for impairment of trade receivables is ₹ 29.29 crores. (Previous year: ₹ 86.39 crores).

Notes to the consolidated financial statements for the year ended March 31, 2021

31. Earnings per equity share

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Profit for the year (₹ in Crores)	756.39	515.21
Weighted average number of equity shares (Basic)	38,90,92,074	38,90,83,161
Earnings per share- Basic ₹	**19.44**	**13.24**
Weighted average number of equity shares (Diluted)	38,99,46,128	38,90,83,161
Earnings per share- Diluted ₹	**19.40**	**13.24**
Face Value per share in ₹	2/-	2/-
Weighted average number of equity shares (Basic)	38,90,92,074	38,90,83,161
Add: Effect of stock appreciation rights (dilutive)	8,54,054	-
Weighted average number of equity shares (Diluted)	38,99,46,128	38,90,83,161

32. Contingencies and commitments

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
a. Bank guarantees	56.29	85.53
b. Claims not acknowledged as debts	17.25	6.47
c. Disputed income tax / sales tax demands		
Income tax (refer note 46)	-	21.96
Sales tax	97.86	84.55

d. During the year ended March 31, 2020, one of the entities in the Group had received an order from the tax authorities aggregating to ₹ 199.58 crores ($ 26.38 million) seeking to tax the profits of the entity in a jurisdiction outside of its country of principal operations. The matter is being contested. Based on advice received from legal and tax experts, the Group believes that such amounts have been determined in an arbitrary manner and that there would be no material adverse outcome in this matter.

e. During the year ended 31 March 2021, one of the entities in the Group has been served an assessment order for ₹ 159.24 crores ($ 21.78 million) by the tax authorities in the Kingdom of Saudi Arabia. This assessment is towards withholding tax related to payments for imported licenses for trading purposes which has been accepted by the tax authorities for prior years as imports of goods not subject to withholding tax. The matter is being contested. Based on advice received from tax experts, the Group believes that such amounts have been determined in an arbitrary manner and that there would be no material adverse outcome in this matter.

Capital commitment:

Estimated amounts of contracts remaining to be executed on capital account and not provided for (net of advances) is ₹ 0.51 crores (Previous year ₹ 0.71 crores).

33. Leases

Leases as lessee

The Group leases assets in the nature of land and buildings, vehicles and other equipment. The leases typically run for a period of 1 to 12 years.

Information about leases for which the Group is a lessee is presented below:

a. Right-of-use assets

Right-of-use assets related to leased properties are presented as property, plant and equipment

Movement in Right-of-use assets for the year ended March 31, 2021

₹ in Crores

Particulars	Land and Buildings	Vehicles	Other equipment	Total
Balance at April 1, 2020	223.82	4.22	2.22	230.26
Depreciation charge for the year	(66.60)	(3.99)	(0.60)	(71.19)
Additions to right-of-use assets	65.89	5.17	-	71.06
Modification of leases	(8.53)	-	-	(8.53)
Deletions to right-of-use assets	(39.30)	-	-	(39.30)
Currency translation adjustments	(2.03)	(3.18)	-	(5.21)
Balance at March 31, 2021	**173.25**	**2.22**	**1.62**	**177.09**

Notes to the consolidated financial statements for the year ended March 31, 2021

Movement in Right-of-use assets for the year ended March 31, 2020

₹ in Crores

Particulars	Land and Buildings	Vehicles	Other equipment	Total
Balance at April 1, 2019	249.46	3.24	2.64	255.34
Depreciation charge for the year	(81.52)	(4.91)	(0.44)	(86.87)
Additions to right-of-use assets	80.12	2.61	0.02	82.75
Deletions to right-of-use assets	(34.65)	-	-	(34.65)
Currency translation adjustments	10.41	3.28	-	13.69
Balance at March 31, 2020	**223.82**	**4.22**	**2.22**	**230.26**

b. Amounts recognized in profit or loss

₹ in Crores

Particulars	Amount
March 31, 2021 – Lease related expenses	
Interest on lease liabilities	15.64
Depreciation of right-of-use assets	71.19
Expenses relating to short-term leases (Included as part of other expenses)	58.71
Loss / (Gain) on modification of leases	(1.53)
March 31, 2020 – Lease related expenses	
Interest on lease liabilities	20.61
Depreciation of right-of-use assets	86.87
Expenses relating to short-term leases (Included as part of other expenses)	37.92
Loss / (Gain) on modification of leases	(0.09)

c. Amounts recognized in statement of cash flows

₹ in Crores

Particulars	Amount
March 31, 2021 - Total cash outflow for leases	94.75
March 31, 2020 - Total cash outflow for leases	92.81

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, 2021	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)							
- Forward Contracts*	1.38	-	**1.38**		1.38		**1.38**
Financial assets not measured at fair value							
Trade receivables (refer note 11)	-	6,800.67	**6,800.67**				
Cash and cash equivalents (refer note 12 (a))	-	2,938.58	**2,938.58**				
Other bank balances (refer note 12 (b))	-	554.39	**554.39**				
Loans (refer note 13)	-	-	**-**				
Other financial assets (refer note 14)							
-Deposits	-	39.29	**39.29**				
-Others	-	178.62	**178.62**				
Total financial assets	**1.38**	**10,511.55**	**10,513.99**		**1.38**		**1.38**

₹ in Crores

As at March 31, 2020	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)							
- Forward Contracts*	22.23	-	**22.23**		22.23		**22.23**
Financial assets not measured at fair value							
Trade receivables (refer note 11)	-	7,032.00	**7,032.00**				
Cash and cash equivalents (refer note 12 (a))	-	2,343.54	**2,343.54**				
Other bank balances (refer note 12 (b))	-	33.54	**33.54**				
Loans (refer note 13)	-	2.00	**2.00**				
Other financial assets (refer note 14)							
-Deposits	-	36.93	**36.93**				
-Others	-	160.75	**160.75**				
Total financial assets	**22.23**	**9,608.76**	**9,630.99**		**22.23**		**22.23**

Notes to the consolidated financial statements for the year ended March 31, 2021

Categories of financial instruments (continued)

₹ in Crores

As at March 31, 2021	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*	2.95	-	**2.95**		2.95		**2.95**
Financial liabilities not measured at fair value							
Borrowings (refer note 20)	-	438.90	**438.90**				
Lease liabilities	-	176.93	**176.93**				
Trade payables (refer note 22)	-	7,299.95	**7,299.95**				
Other financial liabilities (refer note 23)							
-Others	-	231.79	**231.79**				
Total financial liabilities	**2.95**	**8,147.57**	**8,150.52**		**2.95**		**2.95**

₹ in Crores

As at March 31, 2020	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*	0.90	-	**0.90**		0.90		**0.90**
Financial liabilities not measured at fair value							
Borrowings (refer note 20)	-	2,537.48	**2,537.48**				
Lease liabilities	-	237.23	**237.23**				
Trade payables (refer note 22)	-	6,275.15	**6,275.15**				
Other financial liabilities (refer note 23)							
-Others	-	184.27	**184.27**				
Total financial liabilities	**0.90**	**9,234.13**	**9,235.03**		**0.90**		**0.90**

* 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.

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 optimizing the return.

Foreign exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency). In order to mitigate risks arising on account of foreign currency fluctuations, the following policies are set with respect to foreign exchange risk management in respective geographies.

Company and its Indian subsidiaries

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The exposure to the risk of changes in foreign exchange rates is 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 by ₹ 0.15 crores (Previous year: negatively impacted by ₹ 0.15 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 10% increase and decrease in the US$, which is the functional currency of the Group's overseas subsidiaries, against the relevant foreign currency transactions that are not covered/ pegged. A positive number below indicates an increase in profit before tax where the US$ strengthens 10% against the relevant currency. Similarly, for a 10% weakening of the US$ against the relevant currency, there would be an equal and opposite impact on the Profit before tax.

₹ in Crores

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Turkish Lira	(3.48)	12.42
Kuwaiti Dinar	(7.03)	(7.83)
Kenyan Shilling	(1.59)	(0.82)
Moroccan Dirham	(0.07)	(0.22)
Nigerian Naira	(1.77)	(0.64)
Kazakhstan Tenge	-	(0.01)
Egyptian Pound	(11.19)	(11.74)
Tanzanian Sillings	(0.31)	(0.69)
Uganda Shilling	(0.85)	(0.75)
Ghanainan Cedi	(0.11)	(0.01)
South African Rand	(0.40)	(0.35)
Iraqi Dinar	-	(0.00)^
Libyan Dinar	-	(0.01)
Rwandan Franc	(0.44)	(0.09)
Euro	(2.30)	(0.02)
West African CFA Franc	(2.53)	(2.60)
Indian Rupees	(0.37)	(0.26)
Singapore Dollars	(0.34)	3.19

^ Represents value less than ₹ 0.01 Crore.

Notes to the consolidated financial statements for the year ended March 31, 2021

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 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 one of 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, 2021, would decrease/increase by ₹ 1.96 crores (Previous year: ₹ 6.30 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 customers on credit.The carrying value of financial assets represents the maximum amount of credit risk.

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 for most of the receivables and in such cases the credit risk is restricted to the receivable value which is not covered.

Ageing of trade receivables*

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Less than 90 days	6,732.87	6,897.02
More than 90 days	67.80	134.98
Total	**6,800.67**	**7,032.00**

* 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.

In addition to the historical pattern of credit loss, the Group has considered the likelihood of increased credit risk and consequential default considering emerging situations due to COVID-19. The Group closely monitors its customers and assesses conditions such as change in payment terms, inability of the customer to pay etc. depending on severity of each case. Basis this assessment, the allowance for impairment of trade receivables as at March 31, 2021 is considered adequate.

Movement in the allowance for impairment of trade receivables

₹ in Crores

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Balance at the beginning of the year	**162.56**	**187.04**
Allowance recognised during the year	42.36	50.58
Less: Written off / reclassified during the year	(29.29)	(86.39)
Less: Amounts on disposal of subsidiary	(4.82)	-
Currency translation adjustment	(4.53)	11.33
Balance at end of the year	**166.28**	**162.56**

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 un-availed borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial liabilities.

Notes to the consolidated financial statements for the year ended March 31, 2021

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities:

₹ in Crores

Particulars	As at March 31, 2021				As at March 31, 2020			
		Contractual cash flows				Contractual cash flows		
	Carrying amount	Less than a year	More than a year	Total	Carrying amount	Less than a year	More than a year	Total
Borrowings	438.90	434.34	4.56	**438.90**	2,537.48	2,554.29	-	**2,554.29**
Lease liability	176.93	58.04	125.67	**183.71**	237.23	73.66	167.90	**241.56**
Trade payables	7,299.95	7,299.95	-	**7,299.95**	6,275.15	6,275.15	-	**6,275.15**
Other financial liability	234.74	228.21	6.53	**234.74**	185.17	184.79	0.38	**185.17**
Total	**8,150.52**	**8,020.54**	**136.76**	**8,157.30**	**9,235.03**	**9,087.89**	**168.28**	**9,256.17**

Notes to the consolidated financial statements for the year ended March 31, 2021

36. Operating segments

The Group has identified India and Overseas as its reportable operating segments in line with the requirements of 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.

₹ in Crores

Particulars	India		Overseas		Eliminations		Corporate Unallocated		Total	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Segment revenue										
-External	22,827.36	18,789.68	34,118.50	32,675.49	-	-	-	-	56,945.86	51,465.17
-Inter-segment	-	-	1.22	0.40	(1.22)	(0.40)	-	-	-	-
Total	**22,827.36**	**18,789.68**	**34,119.72**	**32,675.89**	**(1.22)**	**(0.40)**	**-**	**-**	**56,945.86**	**51,465.17**
Segment profit/(loss) before tax	450.03	567.12	678.10	472.28	-	(347.12)	-	-	1,128.13	692.28
Income tax expense	204.28	138.79	137.24	76.18	-	(56.61)	-	-	341.52	158.36
Segment profit for the year	**245.75**	**428.33**	**540.86**	**396.10**	**-**	**(290.51)**	**-**	**-**	**786.61**	**533.92**
Non-controlling interest	-	(1.49)	30.22	20.20	-	-	-	-	30.22	18.71
Segment profit attributable to the shareholders of the company	**245.75**	**429.82**	**510.64**	**375.90**	**-**	**(290.51)**	**-**	**-**	**756.39**	**515.21**
Total segment assets	**4,533.61**	**5,028.87**	**9,881.62**	**9,449.67**	**(0.19)**	**(0.19)**	**142.03**	**177.88**	**14,557.07**	**14,656.23**
Total segment liabilities	**3,243.70**	**4,035.56**	**5,861.75**	**5,829.70**	**(0.19)**	**(0.19)**	**145.13**	**101.04**	**9,250.39**	**9,966.11**
Segment profit before tax includes:										
Interest income	34.31	16.52	29.39	17.18	-	-	-	-	63.70	33.70
Finance costs	54.73	122.06	101.71	97.00	-	-	-	-	156.44	219.06
Depreciation and amortisation expense	54.65	72.94	93.55	82.46	-	-	-	-	148.20	155.40
Impairment of goodwill and other intangibles	-	3.60	6.34	1.08	-	-	-	-	6.34	4.68
Segment assets include:										
Acquisition of property, plant and equipment and other intangible assets	11.03	45.64	36.99	38.16	-	-	-	-	48.02	83.80
Impairment of goodwill and other intangibles	-	3.60	6.34	1.08	-	-	-	-	6.34	4.68

Notes to the consolidated financial statements for the year ended March 31, 2021

Other information with respect to the operating segments disclosed above

Revenues from major businesses are as follows:

₹ in Crores

Particulars	Year ended March 31, 2021			Year ended March 31, 2020		
	India	Overseas	Total	India	Overseas	Total
Distribution of products	21,990.59	33,539.41	**55,530.00**	18,012.93	32,125.33	**50,138.26**
Service	824.56	579.09	**1,403.65**	769.88	550.16	**1,320.04**
Other operating revenue	12.21	-	**12.21**	6.87	-	**6.87**
Total	**22,827.36**	**34,118.50**	**56,945.86**	**18,789.68**	**32,675.49**	**51,465.17**

a. 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.

b. 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, 2021 and March 31, 2020.

37. Related party disclosures

a. Remuneration to Key Management Personnel (KMP)

Mr. Raj Shankar, Managing Director

Mr. S. V. Krishnan, Chief Financial Officer and Whole Time Director (Appointed as Whole Time Director w.e.f. May 22, 2019)

Mr. Kasturi Rangan (Resigned as Whole Time Director w.e.f. May 22, 2019)

(Refer note 38 for details of remuneration paid to KMP)

b. Names of the related parties

Entity having significant influence on the Company	Synnex Mauritius Limited, Mauritius*
Subsidiary of entity having significant influence on the Company	Synnex Australia Pty Limited*
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	Year ended March 31, 2021	Year ended March 31, 2020
	Entity having significant influence	Entity having significant influence
Synnex Mauritius Limited		
Dividend paid	-	71.66

₹ in Crores

Nature of Transactions	Year ended March 31, 2021	Year ended March 31, 2020
	Subsidiary of entity having significant influence	Subsidiary of entity having significant influence
Synnex Australia Pty Limited		
Service Charges – Income	0.26	0.32

Notes to the consolidated financial statements for the year ended March 31, 2021

₹ in Crores

Nature of Transactions	Year ended March 31, 2021 Subsidiary of associate	Year ended March 31, 2020 Subsidiary of associate
Currents Technology Retail (India) Limited		
Sale of goods	0.30	19.74
Interest income	-	0.77
Purchase of intangible assets	-	9.91
Service charges – expense	-	0.86
Loan disbursed	-	33.10
Loan settled	-	58.20
Write off of loans	-	6.90
Write off of account receivables	-	10.36

₹ in Crores

Nature of Transactions	Year ended March 31, 2021 Key Management Personnel	Year ended March 31, 2020 Key Management Personnel
Dividends paid	-	0.49

Details of receivable from Currents Technology Retail (India) Limited:

₹ in Crores

Particulars	March 31, 2021	March 31, 2020
Amount payable at the year end	^	0.82
Amount receivable at the year end	-	0.05
Advances received against supplies	-	0.35

^ Represents value less than ₹ 0.01 crore.

38. Key managerial personnel remuneration

Remuneration to the key managerial personnel from the Company as below:

₹ in Crores

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Salaries and bonus	1.12	1.17
Contribution to provident fund	0.05	0.04
Stock compensation expense (SAR)	0.10	0.24
Total remuneration	**1.27**	**1.45**

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	Year ended March 31, 2021	Year ended March 31, 2020
Salaries and bonus (refer note a)	10.39	4.79
Contribution to provident fund	0.05	0.05
Total	**10.44**	**4.84**

a. Salaries and bonus for the year ended March 31, 2021 includes differential performance bonus related to financial year 2019-20 amounting to ₹ 2.16 crores.

Notes to the consolidated financial statements for the year ended March 31, 2021

39. Corporate Social Responsibility (CSR)

For the year 2020-21, the Indian entities in the Group is required to spend ₹ 9.77 crores (Previous year: ₹ 6.44 crores) on "Corporate Social Responsibility (CSR)" against which the Group has spent during the year ₹ 9.28 crores (Previous year: ₹ 6.44 crores) towards CSR Expenditure.This includes contribution of ₹ 7.63 crores made by the Company to 'Foundation for CSR @ Redington' trust formed for the purposes of carrying out these CSR activities.

40. Impairment of goodwill and other intangibles

During the year ended March 31, 2021, Linkplus Bilgisayar Sistemleri Sanayi ve Ticaret A.S., (a subsidiary of Redington Gulf FZE) changed its name to Redington Turkey Teknoloji A.S. The Group is no longer expected to benefit from the trade name 'Linkplus', which was recognized upon the acquisition of this entity, in the earlier years. Accordingly, the trade name amounting to ₹ 6.34 crores ($ 851,100) has been written off in full.

During the year ended March 31, 2020, the Company's wholly owned subsidiary, ProConnect Supply Chain Solutions Limited has carried out an impairment assessment of the Goodwill in one of its subsidiaries, Auroma Logistics Private Limited and determined that the Goodwill was impaired. Management has allocated an impairment loss on goodwill of ₹ 3.60 crores.

Further, during the year ended March 31, 2020, the Company's wholly owned subsidiary, Redington Gulf FZE carried out an impairment assessment of its intangible assets with indefinite useful lives and determined that the assets were impaired. Management has allocated the impairment losses as follows:

₹ in Crores

Particulars	Amount
Goodwill (refer note 6)	0.14
Customer relationship (refer note 5 (b))	0.94
Total	**1.08**

41. Employee Stock Option Plan 2008 (ESOP 2008)

The Group followed intrinsic value method as per previous GAAP for accounting of employee stock options and had availed the exemption under Ind AS 101 "First time adoption of Indian Accounting Standards" at the time of transition to Ind AS from retrospective application of accounting requirements prescribed under Ind AS 102 "Share-based payment" for outstanding options as on the transition date. Accordingly, no compensation costs had been recognized in these accounts as the options have been granted at the prevailing market prices at the time of each grant.

Details of various grants under ESOP 2008 are as follows:

Particulars	Grant I	Grant II	Grant III	Grant IV	Grant V
Date of Grant	February 29, 2008	July 25, 2008	January 28, 2009	May 22, 2009	December 5, 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 4, 2012
Options granted	2,335,973	11,000	276,143	25,000	173,212
Options lapsed	587,670	4,750	-	-	53,104
Options vested	1,748,303	6,250	276,143	25,000	120,108
Options exercised at the beginning of the year	1,748,303	6,250	276,143	25,000	120,108
Options exercised during the year	-	-	-	-	-
Total options outstanding and not exercised as on March 31, 2021	-	-	-	-	-

* 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 exercise period of all options granted including those reissued had expired and validity of Redington Employee Stock Option Plan, 2008 ended on 31st March 2020. The Board of Directors had also approved to extinguish the options and dissolve the plan.

Notes to the consolidated financial statements for the year ended March 31, 2021

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	Year ended March 31, 2021		Year ended March 31, 2020	
	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (₹)
Balance at the beginning of the year	-	-	3,819	396.50
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	1,287	396.50
Expired during the year	-	-	2,532	396.50
Balance at the end of the year	-	-	-	-

Weighted average contractual life

The weighted average remaining contractual life of the options outstanding is Nil (previous year Nil).

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	NIL	-	-

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 86,81,681 equity shares of ₹ 2/- each as adjusted for any changes in the capital structure of the Group. Pursuant to the approval of SAR Scheme 2017 by the members of the Group, the Nomination and Remuneration Committee of the Board of Redington (India) Limited on December 30, 2017, approved the grant of 81,79,000 SARs to the employees of the Company and its subsidiaries.

Each SAR entitles the eligible employees and directors to receive equity shares of the Company equivalent to the increase in value of one equity share ('Appreciation'). Appreciation is calculated by reducing the issue price / base price from the reported closing price of the equity shares in the NSE / BSE where there is highest trading, on the day prior to the date of exercising of these SARs and multiplying the resultant with the number of SARs exercised.

These SARs vest over a period of 3 years from the date of the grant in the following manner:

10% of the SARs vest after a period of one year from the grant date, 20% of the SARs vest after a period of two years from the grant date and 70% of the SARs vest after a period of three years from the grant date. These SARs are exercisable within a period of three years from the respective date of vesting.

Certain SARs granted to the members of senior management team as identified by the Nomination and Remuneration committee have an associated performance condition. Of the total SARs granted to senior management team, 35% of the SARs that would vest at the end of 3 years from the date of the grant are subject to these performance conditions. As the Group has not met the performance condition, all the performance linked SAR lapsed during this financial year.

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.

Notes to the consolidated financial statements for the year ended March 31, 2021

Details of SARs granted are as follows:

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, 2021	Year ended March 31, 2020
b. Details of movement in SARs granted during the year		
SARs outstanding at the beginning of the year	66,75,900	75,17,600
Number of SARs granted during the year	-	-
SARs lapsed during the year	21,82,800	8,41,700
SARs exercised during the year	6,06,800	-
Total number of shares to be allotted on exercise of SAR	1,31,522	-
Total number of shares yet to be allotted on exercise of SAR at the end of the year	10,931	-
SARs outstanding at the end of the year	38,86,300	66,75,900
SARs exercisable at the end of the year	38,86,300	20,21,250
c. Range of exercise prices of SARs outstanding at the end of the year	₹ 2	₹ 2
d. Weighted average remaining contractual life (in years)	2.27	3.35
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**
i. Risk free interest rate		7.02%
ii. Expected life (in years)		4.10
iii. Expected volatility		35.72%
iv. Dividend yield		1.20%
v. Price of the underlying share in market at the time of the option grant. (₹)		174.60

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. Disposal of subsidiary

a. **Consideration**

The Group disposed of its interest in Ensure Support Services (India) Limited ("Ensure"), a wholly owned subsidiary of the Company to Accel Limited on July 31, 2020 for a consideration of ₹ 31 crores. The sale was approved by the Board of directors of the Company at their meeting held on July 30, 2020.

The following table summarises the consideration received net of directly attributable expenses on disposal of subsidiary:

₹ in Crores

Particulars	Amount
Cash consideration	31.00
Less: Directly attributable expenses	(0.40)
Net consideration	**30.60**

b. **Identifiable assets and liabilities disposed**

The following table summarises the carrying amount of assets and liabilities disposed:

₹ in Crores

Particulars	Amount
Property, plant and equipment	6.03
Other intangible assets	0.04
Right-of-use assets	12.36
Inventories	3.67
Trade receivables	17.76
Cash and cash equivalents	5.69
Other bank balances	0.12
Other financial assets	18.19
Deferred tax assets	3.90
Income tax assets	2.35
Other current assets	5.66
Other non-current assets	1.86
Trade payables and provisions	(27.74)
Lease liabilities	(9.81)
Other liabilities	(13.88)
Total net identifiable assets disposed	**26.20**

c. **Gain on disposal of subsidiary**

₹ in Crores

Particulars	Amount
Consideration received (net)	30.60
Net identifiable assets disposed	26.20
Gain on disposal	**4.40**

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, 2021

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 % of consolidated net profit	₹ in Crores	As a % of consolidated OCI	₹ in Crores	As a % of TCI	₹ in Crores
Parent –Redington (India) Limited	26.90	1,427.73	40.39	305.49	(0.91)	1.21	49.14	306.70
Subsidiaries								
(a) Indian								
ProConnect Supply Chain Solutions Limited	1.26	66.60	(7.08)	(53.56)	(0.07)	0.09	(8.57)	(53.47)
Ensure Support Services (India) Limited (until July 31, 2020)	-	-	(0.04)	(0.28)	(0.10)	0.13	(0.02)	(0.15)
Non-controlling interests in Indian subsidiaries	-	-	-	-	-	-	-	-
(b) Foreign								
Redington International Mauritius Limited- before non-controlling interest	56.46	2,996.53	34.12	258.05	114.57	(151.53)	17.07	106.52
Redington Distribution Pte Limited	8.35	442.85	36.61	276.91	10.50	(13.88)	42.14	263.03
Non-controlling interest in foreign subsidiaries	7.03	372.97	(4.00)	(30.22)	(23.99)	31.73	0.24	1.51
Associate (Indian) – Redington (India) Investments Limited	-	-	-	-	-	-	-	-
Total	**100.00**	**5,306.68**	**100.00**	**756.39**	**100.00**	**(132.25)**	**100.00**	**624.14**

For the year ended March 31, 2020

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 % of consolidated net profit	₹ in Crores	As a % of consolidated OCI	₹ in Crores	As a % of TCI	₹ in Crores
Parent –Redington (India) Limited	24.67	1,157.09	48.62	250.50	(1.32)	(3.24)	32.50	247.26
Subsidiaries								
(a) Indian								
ProConnect Supply Chain Solutions Limited	1.23	57.80	(21.35)	(110.00)	(0.09)	(0.22)	(14.49)	(110.22)
Ensure Support Services (India) Limited	0.54	25.56	0.29	1.51	(0.04)	(0.09)	0.19	1.42
Non-controlling interests in Indian subsidiaries	-	-	0.29	1.49	-	-	0.20	1.49
(b) Foreign								
Redington International Mauritius Limited- before non-controlling interest	57.14	2,679.76	21.72	111.91	101.84	250.08	47.58	361.99
Redington Distribution Pte Limited	8.29	388.64	54.35	280.00	11.86	29.13	40.63	309.13
Non-controlling interest in foreign subsidiaries	8.13	381.27	(3.92)	(20.20)	(12.25)	(30.09)	(6.61)	(50.29)
Associate (Indian) – Redington (India) Investments Limited	-	-	-	-	-	-	-	-
Total	**100.00**	**4,690.12**	**100.00**	**515.21**	**100.00**	**245.57**	**100.00**	**760.78**

Notes to the consolidated financial statements for the year ended March 31, 2021

45. Acquisition of non-controlling interests

a. During the year ended March 31, 2021, Redington Gulf FZE (‘RGF’), a wholly owned subsidiary of Redington International Mauritius Limited (‘RIML’), has acquired the additional 15.20% equity stake in its subsidiary, Citrus Consulting Services FZ LLC (‘Citrus’) for a consideration of ₹ 0.31 crores (AED 1,52,000). Pursuant to this stake acquisition, Citrus became a wholly owned subsidiary of RGF. The carrying amount of Citrus’ non-controlling interest in the Group’s consolidated financial statements on the date of acquisition was negative ₹ 0.83 crores. The difference of ₹ 1.14 crores has been adjusted in retained earnings.

b. During the year ended March 31, 2020, the Group has settled contingent consideration by cash to erstwhile shareholders of Auroma Logistics Private Limited (Merged with ProConnect during the year ended March 31, 2021) which was acquired during the year ended March 31, 2019. The Group has also acquired the remaining 10% equity stake in Auroma during the year ended March 31, 2020, pursuant to share purchase agreement entered with erstwhile shareholders of Auroma.

c. During the year ended March 31, 2020, the Group acquired additional 12% equity stake in Rajprotim Supply Chain Solutions Limited (‘RCS’) for a consideration of ₹ 11 crores paid in cash. Pursuant to this acquisition, RCS became the wholly owned subsidiary of ProConnect.

46. Update on Income tax matters

The Income tax department had raised a demand during the financial year 2013-14 on the Company for ₹ 118.65 crores (excluding interest and penalty) arising on account of tax on capital gains from the transfer of the Company’s investment in an overseas subsidiary to another overseas step-down subsidiary, for the assessment year ended March 31, 2009. This demand has been set aside by the Income Tax Appellate Tribunal, Chennai vide its order dated July 7, 2014. The Department filed an appeal against the said order before the Madras High Court (Court). In August 2019, the Court allowed the admission of the appeal, and the Company was actively contesting the same as at the previous balance sheet date.

During the financial year 2020-21, the Company received an unfavourable order from the Court in respect of the same, setting aside the order of the Income-tax Appellate Tribunal, resulting in a potential demand of ₹ 140.29 crores (excluding interest and penalty).

Pursuant to receipt of such order, the Company had performed a comprehensive evaluation of its various direct tax positions including the status of its pending litigations and the Company had, in respect of certain assessment years (including the AY 2009-10), made applications under the Vivad Se Vishwas scheme. The Company has opted to avail the scheme after evaluating the pros and cons of continuing with the litigations and the benefit of wavier of interest and penalty that the scheme offers.

In view of the above, the Company has created a provision of ₹ 88.99 crores towards income-tax in respect of earlier years which has been disclosed separately under the head tax expenses. The Company has paid the demand of ₹ 76.30 crores till date and received orders for ₹ 73.48 crores in full and final settlement under Direct Tax Vivad se Vishwas Act, 2020. Completion orders for the balance amount are awaited.

47. Other matters

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions made by the Company and its Indian subsidiaries towards Provident fund and gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company and its Indian subsidiaries will assess and give appropriate impact on the financial statements in the period in which the code and related rules become effective.

48. Events after the reporting period

a. The Board of Directors of the Company at its meeting held on April 1, 2021, approved the elevation of Mr. Raj Shankar to the position of “Vice Chairman and Managing Director” with immediate effect. Also, the Board appointed Mr. Rajiv Srivastava as an Additional Director on the Board and as Joint Managing Director of the Company effective April 2, 2021.

b. The SAR Share Allotment Committee of Directors of the Company has considered and approved allotment of 50,095 equity shares of ₹ 2/- each on May 8, 2021, pursuant to exercise of Stock Appreciation Rights granted under Redington Stock Appreciation Right Scheme, 2017.

c. The Board of Directors of Arena Bilgisayar Sinayi Ve Ticaret A.S. (Arena), step-down subsidiary of Redington International Mauritius Limited has authorised its Chief Executive Officer, Mr. Serkan Celik, to approach Brightstar Telekomunikasyon Dagitim Ltd. Sti. (Brightstar Turkey) and commence preliminary discussions regarding the potential acquisition of upto 100% of Brightstar Turkey from Brightstar Corp. and its affiliates.

Currently, Brightstar Turkey's operations primarily consist of value-added distribution of leading brands of smartphones, devices, consumer electronics and accessories to telecom operator(s). Arena believes that the potential acquisition of Brightstar Turkey could deliver significant strategic value to Arena.

d. The Board of Directors at its meeting held on May 27, 2021, has recommended a dividend of ₹ 11.60/- per equity share of ₹ 2/- each (i.e. 580% of face value) for the financial year ended March 31, 2021 subject to the approval of shareholders in the ensuing Annual General Meeting.

49. These consolidated financial statements were approved for issue by the Board of Directors on May 27, 2021.

As per our report of even date attached

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

S Sethuraman
Partner
Membership No.: 203491
Place: Chennai

Date: May 27, 2021

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

Raj Shankar
Vice Chairman and Managing Director
(DIN-00238790)
Place: Singapore

S V Krishnan
Chief Financial Officer and Whole-time Director
(DIN-07518349)
Place: Chennai

M Muthukumarasamy
Company Secretary
Place: Chennai

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, 2021	INR	1.0000	9.08	107.69	299.33	182.56	-	385.79	18.37	1.24	17.13	-	100	100
2	Ensure Support Services (India) Limited (until July 31, 2020)	27-Jun-13	March 31, 2021	INR	1.0000	4.50	21.70	77.63	51.43	-	27.75	0.69	0.19	0.50	-	-	-
3	Redington International Mauritius Limited	16-Jul-08	March 31, 2021	USD	73.1100	202.28	1,535.41	1,752.45	14.76	-	-	279.83	-	279.83	-	100	100
4	Redington Distribution Pte. Limited	1-Apr-05	March 31, 2021	USD	73.1100	29.24	382.85	890.46	478.37	-	2,192.99	62.13	14.93	47.20	-	100	100
5	Redington Gulf FZE	27-Mar-00	March 31, 2021	AED	19.9050	23.89	2,094.70	5,186.17	3,067.58	-	13,040.63	338.91	21.77	317.14	-	100	100
6	Redington Egypt Ltd (Limited liability company)	9-Feb-00	December 31, 2020	EGP	4.6475	0.40	7.91	88.60	80.29	-	15.28	0.34	0.13	0.21	-	100	100
7	Redington Gulf & Co. LLC	11-Nov-03	March 31, 2021	OMR	189.8950	2.85	3.24	73.34	67.25	-	182.41	1.78	0.28	1.50	-	70	100
8	Redington Kenya Limited	19-Jul-04	March 31, 2021	KES	0.6677	0.07	11.45	125.26	113.74	-	485.03	5.89	(0.22)	6.11	-	100	100
9	Cadensworth FZE	30-Mar-05	March 31, 2021	AED	19.9050	1.99	25.59	97.86	70.28	-	160.58	6.85	-	6.85	-	100	100
10	Redington Middle East LLC	1-Jul-05	March 31, 2021	AED	19.9050	0.60	33.67	807.34	773.07	-	4,932.67	6.40	-	6.40	-	49	100
11	Ensure Services Arabia LLC	29-Jul-00	March 31, 2021	SAR	19.4925	2.05	(9.47)	7.65	15.07	-	12.36	(12.27)	-	(12.27)	-	100	100
12	Redington Qatar WLL	7-Oct-02	March 31, 2021	QAR	19.9600	0.40	1.17	3.92	2.35	-	11.22	0.96	0.01	0.95	-	49	100
13	Ensure Services Bahrain S.P.C.	26-Mar-07	March 31, 2021	BHD	193.8850	0.97	3.17	4.91	0.77	-	0.07	0.25	-	0.25	-	100	100
14	Redington Qatar Distribution WLL	15-Aug-07	March 31, 2021	QAR	19.9600	0.40	23.46	337.23	313.37	-	1,736.41	15.93	1.81	14.12	-	49	100
15	Redington Limited	28-Nov-08	March 31, 2021	GHS	12.7148	0.71	(0.68)	2.51	2.48	-	3.15	(0.10)	0.05	(0.15)	-	100	100
16	Redington Kenya (EPZ) Limited	10-Dec-08	March 31, 2021	KES	0.6677	0.01	(0.89)	2.07	2.95	-	-	0.71	-	0.71	-	100	100
17	Redington Uganda Limited	9-Jan-09	March 31, 2021	UGX	0.0200	0.03	3.29	69.83	66.51	-	203.13	1.17	0.56	0.61	-	100	100
18	Cadensworth United Arab Emirates (LLC)	5-May-09	March 31, 2021	AED	19.9050	0.60	15.70	24.70	8.40	-	558.11	1.50	-	1.50	-	49	100
19	Redington Tanzania Limited	13-Aug-09	March 31, 2021	TZS	0.0316	-	1.73	55.51	53.78	-	194.94	1.79	0.72	1.07	-	100	100
20	Redington Morocco Ltd.	5-Oct-09	March 31, 2021	MAD	8.0681	0.24	(0.25)	7.06	7.07	-	6.66	0.03	0.04	(0.01)	-	100	100
21	Ensure IT Services (Pty) Ltd.	27-Jul-11	March 31, 2021	ZAR	4.9350	0.34	2.46	6.99	4.19	-	11.32	0.37	0.14	0.23	-	100	100
22	Redington Turkey Holdings S.A.R.L. (RTHS)	8-Nov-10	March 31, 2021	USD	73.1100	3.29	4.65	318.07	310.13	-	-	1.47	0.74	0.73	-	100	100

₹ 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 %
23	Arena Bilgisayar Sanayi Ve Ticaret A.S.	29-Nov-10	December 31, 2020	USD	73.0700	163.08	402.11	1,594.86	1,029.67	-	5,029.15	38.23	25.54	12.69	14.83	49.40	49.40
24	Arena International FZE	25-May-11	December 31, 2020	AED	19.8950	1.99	2.71	185.57	180.87	-	2,070.72	82.29	-	82.29	-	49.40	49.40
25	Redington Bangladesh Limited	24-Jun-05	March 31, 2021	BDT	0.8665	0.26	0.68	2.28	1.34	-	3.25	0.18	0.01	0.17	-	99	100
26	Redington SL Private Limited	28-Oct-09	March 31, 2021	LKR	0.3683	1.05	11.45	35.71	23.21	-	143.77	6.06	1.73	4.33	-	100	100
27	Redington Rwanda Ltd.	9-May-12	March 31, 2021	RWF	0.0736	-	(0.23)	7.64	7.87	-	19.92	0.28	0.03	0.25	-	100	100
28	Redington Kazakhstan LLP	24-Apr-12	December 31, 2020	KZT	0.1735	0.24	(4.08)	-	3.84	-	-	0.10	-	0.10	-	100	100
29	Ensure Gulf FZE	25-Jul-12	March 31, 2021	AED	19.9050	1.99	55.46	134.81	77.36	-	28.62	(5.17)	-	(5.17)	-	100	100
30	Ensure Middle East Trading LLC	14-Oct-12	March 31, 2021	AED	19.9050	0.60	(0.52)	0.08	-	-	12.92	(3.04)	-	(3.04)	-	49	100
31	Ensure Solutions Nigeria Limited	17-Jan-13	March 31, 2021	NGN	0.1921	0.02	(0.01)	0.01	-	-	0.88	(0.96)	-	(0.96)	-	99.90	100
32	Ensure Technical Services Kenya Limited	17-Dec-12	March 31, 2021	KES	0.6677	0.07	0.02	0.09	-	-	0.16	3.87	-	3.87	-	100	100
33	Ensure Services Uganda Limited	17-Jan-13	March 31, 2021	UGX	0.0200	0.01	(0.01)	-	-	-	-	(0.24)	-	(0.24)	-	100	100
34	Ensure Technical Services Tanzania Limited	21-Dec-12	March 31, 2021	TZS	0.0316	0.96	(0.76)	0.21	0.01	-	-	0.05	0.17	(0.12)	-	100	100
35	Ensure Ghana Limited	10-May-13	March 31, 2021	GHS	12.7148	0.33	(0.39)	0.04	0.10	-	0.59	(0.53)	0.09	(0.62)	-	100	100
36	Proconnect Supply Chain Logistics LLC	24-Apr-13	March 31, 2021	AED	19.9050	0.74	39.40	72.48	32.34	-	148.42	11.52	-	11.52	-	49	100
37	Ensure Technical Services Morocco Limited (Sarl)	26-Oct-13	March 31, 2021	MAD	8.0681	0.08	(0.08)	-	-	-	-	-	-	-	-	100	100
38	Redington Senegal Limited S.A.R.L.	14-May-14	December 31, 2020	XOF	0.1377	0.07	36.78	76.52	39.67	-	511.78	30.25	9.26	20.99	-	100	100
39	Redington Saudi Arabia Distribution Company	18-Aug-14	March 31, 2021	SAR	19.4925	52.63	127.03	1,327.71	1,148.05	-	6,699.67	96.27	17.13	79.14	-	75	100
40	PayNet Odeme Hizmetleri A.S.	16-Jan-15	December 31, 2020	TRY	9.8318	1.97	12.47	82.02	67.58	-	104.61	9.46	2.03	7.43	-	49.40	49.40
41	CDW International Trading FZCO	5-Jul-15	March 31, 2021	AED	19.9050	-	2.95	2.95	-	-	-	(0.13)	-	(0.13)	-	100	100
42	RNDC Alliance West Africa Limited	17-Nov-15	March 31, 2021	NGN	0.1921	0.19	(5.22)	29.11	34.14	-	40.02	(1.97)	0.17	(2.14)	-	100	100
43	Redington Turkey Teknoloji A.S. (Formerly known as Linkplus Bilgisayar Sistemleri Sanayi ve Ticaret A.S.)	26-Nov-15	December 31, 2020	USD	73.0700	27.63	38.59	273.99	207.77	-	428.75	10.10	4.40	5.70	-	100	100
44	Ensure Middle East Technology Solutions LLC	10-Oct-16	March 31, 2021	AED	19.9050	0.30	2.30	6.60	4.00	-	14.68	1.05	-	1.05	-	49	100

₹ 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 %
45	Rajprotim Supply Chain Solutions Limited	25-Jul-16	March 31, 2021	INR	1.0000	11.17	(40.03)	23.24	52.10	-	64.40	(8.84)	-	(8.84)	-	100	100
46	Proconnect Saudi LLC	05-Feb-17	March 31, 2021	SAR	19.4925	1.95	3.32	44.81	39.54	-	78.12	0.29	1.04	(0.75)	-	100	100
47	Redserv Business Solutions Private Limited	29-Mar-17	March 31, 2021	INR	1.0000	0.10	(1.54)	0.45	1.89	-	0.86	(0.01)	-	(0.01)	-	100	100
48	Redington Distribution Company	14-Mar-17	March 31, 2021	EGP	4.6500	0.93	11.80	184.01	171.28	-	816.43	5.18	1.73	3.45	-	99	100
49	Citrus Consulting Services FZ LLC	20-Apr-17	March 31, 2021	AED	19.9050	0.75	(7.62)	3.86	10.73	-	24.59	(2.46)	-	(2.46)	-	100	100
50	Arena Mobile Iletisim Hizmetteri ve Turketici Elektronigi Sanayi ve Ticaret A.S.	11-Apr-17	December 31, 2020	TRY	9.8318	98.32	33.21	480.14	348.61	-	738.40	43.10	9.48	33.62	-	49.40	49.40
51	Online Elektronik Ticaret Hizmetleri A.S.	10-Apr-17	December 31, 2020	TRY	9.8318	17.21	0.73	18.16	0.22	-	257.48	18.71	4.09	14.62	-	49.40	49.40
52	Paynet (Kibris) Odeme Hizmetleri Limited	7-Apr-17	December 31, 2020	TRY	9.8318	0.39	0.10	0.59	0.10	-	0.19	0.07	0.02	0.05	-	49.40	49.40
53	Ensure Services Limited	7-Sep-17	December 31, 2020	EGP	4.6475	0.02	(2.55)	0.07	2.60	-	1.15	(0.59)	-	(0.59)	-	99	100
54	Redington Cote d'Ivoire SARL	30-Jan-18	December 31, 2020	XOF	0.1377	0.07	(6.89)	1.81	8.63	-	18.33	(1.38)	-	(1.38)	-	100	100

@ Investment excludes investment in subsidiary

Part (B) Associate

₹ 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, 2021	1,00,000	0.10	47.62	47.62	Share holding more than 20%	0.01	-	-	0.01

The below mentioned companies are yet to commence operation:
Redington Gulf FZE Co, Iraq
Ensure Technical Services (PTY) Ltd.
Redington Saudi for Trading

The below mentioned companies ceased operations during the FY 2016-17:
Africa Joint Technical Services
Redington Angola Ltd.

The below mentioned company merged with another subsidiary during the year:
Auroma Logistics Private Limited merged with ProConnect Supply Chain Solutions Limited

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; XOF- West African CFA 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
Vice Chairman and Managing Director
(DIN-00238790)
Place: Singapore

S V Krishnan
Chief Financial Officer and Whole-time Director
(DIN-07518349)
Place: Chennai

M Muthukumarasamy
Company Secretary
Place: Chennai

Date: May 27, 2021

Redington (India) Limited

Regd. Office: Centre Point, Plot no. 11 (SP), Thiru. Vi. Ka. Industrial Estate,
Guindy, Chennai 600032.
CIN: L52599TN1961PLC028758
Website: www.redingtongroup.com
E-mail 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 EIGHTH ANNUAL GENERAL MEETING of the members of the Company will be held on Wednesday, August 11, 2021, at 11.00 A.M. through Video Conferencing (VC) / Other Audio Visual Means (OAVM), to transact the following business:

ORDINARY BUSINESS

Item No. 1 – Adoption of Standalone Financial Statements

To receive, consider and adopt the Standalone audited Balance Sheet as at March 31, 2021, 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.

Item No. 2 – Adoption of Consolidated Financial Statements

To receive, consider and adopt the Consolidated audited Balance Sheet as at March 31, 2021, 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.

Item No. 3 – Declare dividend for the financial year ended March 31, 2021

To declare final dividend of ₹ 11.60 (580%) per equity share of ₹ 2/- each (including one-time special dividend of ₹ 4 (200%) per equity share) for the financial year ended March 31, 2021.

Item No. 4 – Re-appointment of Director retiring by rotation

To appoint Mr. Tu, Shu-Chyuan (DIN: 02336015) as a Director, who retires by rotation and being eligible, offers himself for reappointment.

SPECIAL BUSINESS

Item No. 5 - 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, the consent 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 2021-22, on such terms and conditions as may be fixed by the Board of Directors."

Item No. 6 – Appointment of Mr. Rajiv Srivastava (DIN: 03568897) as Director and also as Joint Managing 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 Board of Directors 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), the consent of the members be and is hereby accorded to appoint Mr. Rajiv Srivastava (DIN: 03568897), 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, 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. Rajiv Srivastava (DIN: 03568897), as Joint Managing Director of the Company for a period of five years effective from April 2, 2021, on the terms and conditions of appointment and remuneration as set out in the explanatory statement attached to this notice."

“RESOLVED FURTHER THAT the Board and the Nomination and Remuneration Committee of Directors be and is hereby 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).”

Item No. 7 – Increase in Authorized Share Capital and consequent amendment to Memorandum of Association of the Company

To consider and, if thought fit, to pass the following as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 61 and other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), and the provisions of the Articles of Association of the Company, the consent of the Members be and is hereby accorded to increase the Authorized Share Capital of the Company from ₹ 85,00,00,000/- (Rupees Eighty Five Crores) divided into 42,50,00,000 (Forty Two Crores and Fifty Lakhs) equity shares of ₹ 2/- (Rupees Two) each, to ₹ 1,70,00,00,000/- (Rupees One Hundred and Seventy Crores) divided into 85,00,00,000 (Eighty Five Crores) equity shares of ₹ 2/- (Rupees Two) each, by creation of additional 42,50,00,000 (Forty Two Crores and Fifty Lakhs) equity shares of ₹ 2/- (Rupees Two) each, ranking pari-passu in respect with the existing equity shares of the Company."

"RESOLVED FURTHER THAT pursuant to the provisions of Section 13, Section 61 and other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the existing clause V of the Memorandum of Association of the Company be and is hereby substituted by the following:

“The Authorized Share Capital of the Company is ₹ 1,70,00,00,000/- (Rupees One Hundred and Seventy Crores) divided into 85,00,00,000 (Eighty Five Crores) equity shares of ₹ 2/- (Rupees Two) each with rights, privileges and conditions attached thereto as are provided by the regulations of the Company for the time being in force and operation with the power to increase or reclassify or reduce the capital of the Company and to divide the shares in the capital for the time being original or increased into different classes and to consolidate or sub-divide such shares and convert shares into stock and reconvert the Stock into shares and to attach to such shares or stock such ordinary or deferred rights, privileges and other conditions as may be provided by the regulation of the Company for the time being in force and operation.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, expedient or desirable for the purpose of giving effect to the aforesaid resolutions and in connection with any matter incidental thereto.”

Item No. 8 – Approval of issue of bonus shares

To consider and, if thought fit, to pass the following as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 63 and other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, Foreign Exchange and Management Act, 1999, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, other applicable provisions of regulations and guidelines issued by the Securities and Exchange Board of India (SEBI) and Reserve Bank of India (RBI) from time to time, and in accordance with the provisions contained in the Memorandum of Association and Articles of Association of the Company and pursuant to the recommendation of the Board of Directors of the Company (hereinafter referred to as “the Board”, which expression shall be deemed to include a Committee of Directors or officer(s) of the Company duly authorized in this behalf), and subject to other approvals, consents, permissions, conditions and sanctions, as may be necessary, consent of the members of the Company be and is hereby accorded to the Board for capitalization of such sums standing to the credit of the free reserves and/or the securities premium account and/or the capital redemption reserve account of the Company, as may be considered necessary by the Board, for the purpose of the issue of bonus equity shares of ₹ 2/- each, credited as fully paid-up equity shares to the holders of the existing equity shares of the Company in consideration of their said holding and whose names appear in the Register of Members maintained by the Company/List of Beneficial Owners as received from the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), on such date as may be fixed in this regard by the Board (“Record date”), in the proportion of 1 (One) equity share for every 1 (One) existing equity share held by the Members.”

“RESOLVED FURTHER THAT the bonus equity shares so issued shall be treated for all purposes as an increase in the nominal amount in the share capital of the Company held by each such member and not as an income or distribution in lieu of Dividend and all such bonus equity shares so issued shall be subject to the provisions of Articles of Association of the Company and shall rank pari-passu and carry same rights with the existing equity shares of the Company as on Record date.”

“RESOLVED FURTHER THAT no allotment letters shall be issued to the allottees of the bonus equity shares and that the share certificate(s) in respect of the bonus equity shares shall be dispatched, within such times as prescribed under the law and by the relevant authorities, from time to time, except in respect of those allottees who were allotted shares in dematerialized form.”

"RESOLVED FURTHER THAT the allotment of bonus equity shares to the extent that they relate to non-resident members, Foreign Institutional Investors (FIIs) and other Foreign Investors of the Company, shall be subject to the approval, if any, of the Reserve Bank of India or such other authority, as may be necessary or applicable."

"RESOLVED FURTHER THAT the Board/Compensation Committee be and is hereby authorized to make appropriate adjustments necessary for the issue of bonus equity shares as aforesaid, to the stock appreciation rights which have been granted (whether vested or not) to employees under Redington Stock Appreciation Right Scheme 2017, pursuant to the SEBI (Share Based Employee Benefits) Regulations, 2014 and any amendments thereto from time to time, such that the number of stock appreciation rights which are available for granting and those already granted but not exercised as on the record date shall be appropriately adjusted."

"RESOLVED FURTHER THAT for the purposes of giving effect to the bonus issue of equity shares as resolved hereinbefore and for the issuance of equity shares and other related matters, the Board/Committee of the Board and other designated officers of the Company be and are hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may at its discretion deem necessary or desirable for such purpose, including without limitation, filing documents with the SEBI, listing the additional equity shares on BSE Limited and National Stock Exchange of India Limited, amending, if necessary, the relevant sections of the agreement entered into between the Company and other relevant stakeholders and entering into any arrangements in regard to such bonus issue as it may in its absolute discretion deem fit."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, expedient or desirable for the purpose of giving effect to the aforesaid resolutions and determine all other terms and conditions of the issue of bonus equity shares as the Board may in its absolute discretion deem fit."

By Order of the Board
For Redington (India) Limited

Place: Chennai
Date: July 7, 2021

M Muthukumarasamy
Company Secretary

Notes:

1. The explanatory statement, pursuant to Section 102 of the Companies Act 2013 in respect of the business under item nos. 5, 6, 7 and 8 is attached hereto.

2. In view of the continuing restrictions on the movement of persons at several places in the country due to COVID-19 pandemic, the Ministry of Corporate Affairs (MCA) has vide General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020 and General Circular No. 02/2021 dated January 13, 2021 read with various circulars issued by Securities and Exchange Board of India (SEBI) (hereinafter collectively referred to as "the Circulars") allowed the companies to conduct the AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM) without requiring mandatory physical presence of members at a common venue. Hence, in compliance with the Circulars, the members can attend and participate in the ensuing AGM through VC/OAVM. The deemed venue of the AGM shall be the Registered Office of the Company.

3. A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf at the AGM, and the proxy need not be a member of the Company. Since this AGM is being held pursuant to the Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting. Since the AGM will be held through VC/OAVM, the route map is not annexed to this Notice.

4. Participation of members through VC/OAVM will be reckoned for the purpose of ascertainment of quorum under Section 103 of the Companies Act, 2013. All resolutions shall continue to be passed through the facility of e-voting made available for the members.

5. Members of the Company under the category of Institutional Shareholders (i.e. other than Individuals, HUF, NRI, etc.) are encouraged to attend and vote at the AGM through VC/OAVM. Members intending to authorize their representatives to participate and vote at the meeting are requested to submit a scanned copy (PDF format) of the relevant Board Resolution / Authorization Letter, etc. together with attested specimen signature(s) 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.

6. The Company has fixed following dates as Record Dates for reckoning the eligible members to receive final dividend (including one-time special dividend) for the financial year ended March 31, 2021 and to receive bonus equity shares, if approved at the AGM.

Corporate Action	Record Date
Final dividend for FY 2020-21 (including one-time special dividend)	July 19, 2021
Bonus issue	August 20, 2021

The following persons as of end of Record dates given above shall be entitled to receive the above benefits:

I. Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), collectively "Depositories"

II. Members in respect of shares held in physical form after giving effect to valid transmission or transposition requests lodged with the Company as of the close of business hours.

If the dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend subject to deduction of tax at source will be made. In terms of the provisions of the Income-tax Act, 1961, as amended by the Finance Act, 2020, dividend paid or distributed by a Company on or after April 1, 2020 shall be taxable in the hands of the shareholders. The Company shall therefore be required to deduct tax at source ('TDS') (at the applicable rates) at the time of payment of the dividend. TDS rate would vary depending on the residential status and documents submitted.

The Company requests shareholders to submit the documents in this regard with Company's Registrar and Share Transfer Agent, Cameo Corporate Services Limited, on or before July 31, 2021. Any communication received after this date will not be considered for deduction of applicable tax.The documents (Form 15 G / Form 15 H) can be submitted at https://investors.cameoindia.com/ and other documents can be submitted through email to agm@cameoindia.com.

For detailed tax rates, documents to be submitted and further queries, Members are requested to refer to the General Communication and FAQs about TDS on Dividend available on the Company's website. If the tax is deducted at a higher rate in absence of receipt of or satisfactory completeness of the details / documents by company before date given, the shareholder may claim an appropriate refund in the return of income filed with their respective Tax authorities.

7. The details pursuant to Regulation 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards – 2 on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/ re-appointment at this AGM is enclosed as Annexure A to this notice.

8. As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. Shares held in dematerialized form eliminate all risks associated with physical shares.Considering benefits associated with dematerialization, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company's Registrar and Share Transfer Agent, M/s Cameo Corporate Services Limited at their contact given elsewhere in the Notice for assistance in this regard.

9. In order to receive the statutory communications on time, the Company requests

   a. The members who are holding shares in Physical mode to update their valid E-mail ID with the Registrar and Share Transfer Agent of the Company, Cameo Corporate Services Limited at https://investors.cameoindia.com/ and

   b. The members / beneficial owners holding shares in dematerialized form are requested to update their valid E-mail IDs with the respective depository participants from time to time.

10. The members holding shares in physical mode are requested to lodge/notify the 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 by sending e-mail along with requisite documentary proofs to investor@cameoindia.com.

11. The members / beneficial owners holding shares in dematerialized form are requested to update user profile details to their depository participants and not to the Company or to the Registrar and Share Transfer Agent of the Company, as the Company is obliged to use only the data provided by the Depositories.

12. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

13. The registers and other documents as required under statutory regulations, will be made available for inspection to the members, in electronic mode without any fee, during the Annual General meeting. They shall also be available for inspection at the Registered Office of the Company during office hours on all days except Saturday, Sunday & Public holidays between 11:00 a.m. (IST) and 1.00 p.m. (IST) up to the date of the Annual General Meeting.

14. 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, 2013 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 for the financial year ended March 31, 2014 and shares on which dividend remains unpaid or unclaimed for a continuous period of seven years, become due for transfer to IEPF during FY 2021-22. Members who have not claimed their dividend from the abovementioned year are requested to make their claim immediately to the Company's Registrar & Share Transfer Agent, Cameo Corporate Services Limited, immediately.

    Detailed information of Unclaimed Dividend is available on Company's website www.redingtongroup.com/india for the benefit of members.

15. In compliance with the Circulars, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email ids are registered with the Depositories/Company's Registrar and Share transfer agent. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website www.redingtongroup.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL https://www.evoting.nsdl.com

16. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, August 5, 2021 to Wednesday, August 11, 2021 (both days inclusive). A person who is a member as on the cut-off date (i.e August 4, 2021) is only eligible to vote on resolutions. Other Members are requested to treat this Notice for information purpose only.

17. All correspondences with regard to dividends and matters related therewith may be addressed directly to the Company's Registrar and Share Transfer Agent 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

18. **Voting through Electronic means:**

    In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Circulars,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 entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as using e-Voting on the date of the AGM will be provided by NSDL.

    The remote e-voting period begins on August 8, 2021 at 9:00 A.M.(IST) and ends on August 10, 2021 at 5:00 P.M (IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on August 4, 2021, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being August 4, 2021.

    The Company has appointed CS R Bhuvana, M/s. R. Bhuvana & Associates, 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, Whole Time Director and Chief Financial Officer and Mr. M. Muthukumarasamy, Secretary of the Company as the persons severally responsible for the entire e-voting process.

    The Scrutinizer 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.

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., August 4, 2021, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or agm@cameoindia.com. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.

Contact Details		
Company's Registrar and Share Transfer Agent	Cameo Corporate Services Limited	Subramanian Building, 5th Floor, No.1, Club House Road Chennai - 600 002. Contact no: 044 28460390. Email Id: agm@cameoindia.com
Scrutinizer	CS R Bhuvana, M/s.R. Bhuvana & Associates 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: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting and vote during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. 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. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & vote during the meeting.

Type of shareholders	Login Method
	4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in home page of CDSL at www.cdslindia.com. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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 'Shareholder/Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders 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, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
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) 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 etc.
   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.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. 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.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. 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.

3. 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 1020 990 and 1800 22 44 30 or send a request to Ms. Soni Singh at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investors@redington.co.in

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investors@redington.co.in. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.

3. Members who have voted through Remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the EGM/AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-voting system. Members may access by following the steps mentioned above for Access to NSDL e-voting system. After successful login, you can see link of “VC/OAVM link” placed under “Join General meeting” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the notice to avoid last minute rush.

2. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/ OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

3. Members are encouraged to join the Meeting through Laptops for better experience.

4. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

5. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

6. Shareholders who would like to express their views/ask questions may express the same through any of the following options

   a. **Through Registered E-Mail ID:** Shareholders may send their views/questions in advance, mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at investors@redington.co.in from August 5, 2021 (09.00 a.m. (IST)) to August 9, 2021 (05.00 p.m. (IST)). Members are requested to send their e-mail with the subject titled “AGM 2021 – Expression of views/questions”. The same will be replied by the Company suitably.

   b. **Being a speaker during AGM:** Members may register themselves as speaker by sending their request from their registered e-mail address mentioning their name, demat account number/folio number, email ID, mobile number at investors@ redington.co.in on or before the closing business hours of August 8, 2021. Those members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers, upto 10 members, on first-come-first-served basis.

Explanatory Statement to the Notice

Item No. 5

The Company had appointed Ernst & Young LLP, Singapore (EY) as Auditors for the Branch office at Singapore for the Financial Year 2020-21, in the Annual General Meeting held on August 12, 2020. As the term of office of EY has expired on March 31, 2021, it is proposed to re-appoint EY, as Auditors for the Branch office at Singapore for the Financial Year 2021-22.

The Board recommends the resolution set out in item no. 5 of the Notice 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. 5 set out in this Notice.

Item No. 6

The Nomination and Remuneration Committee of the Company had undertaken a succession-planning program and has made its recommendation to the Board of Directors.

Taking cognizance of recommendation of the Nomination and Remuneration Committee, the Board has appointed Mr. Rajiv Srivastava (DIN: 03568897) as Additional Director and Joint Managing Director on the Board, subject to the approval of members of the Company, for a period of five (5) years with effective from April 2, 2021, on the following terms and conditions:

Salary

Basic Salary : ₹ 1.50 Crore per annum

Allowances : ₹ 1.50 Crore per annum

Performance Linked bonus

As may be approved by the Nomination and Remuneration Committee, subject to a maximum of ₹ 2 Crores per annum.

Joining Bonus

One-time joining bonus of ₹ 0.50 Crore.

Annual Revision

The salary and performance linked bonus shall be revised with an increment as may be decided by the Nomination and Remuneration committee. The increments will be merit based and taking into account the Company's performance and within the limit as specified in the Section 197 and other applicable provisions of the Companies Act, 2013.

Employee benefits

During the term of office, Mr. Rajiv Srivastava will be entitled to all Employee benefits as per the policies/Procedures/Schemes and such other payouts of the Company. Subject to the approval of the Nomination and Remuneration Committee, he will be included as part of all incentive schemes of the company including the share-based incentive schemes.

Expenses

The Company will reimburse the expenses incurred by Mr. Rajiv Srivastava 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. Rajiv Srivastava, 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.

The Board recommends the resolution set out in item no. 6 of the Notice for the approval of members.

A brief profile of Mr. Rajiv Srivastava is enclosed as Annexure A to this notice.

Except Mr. Rajiv Srivastava, none of the other Directors, Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution no. 6 set out in this Notice.

Item No. 7 and 8

Since listing in 2007, the equity shares of your Company are actively traded on the National Stock Exchange of India Limited and BSE Limited. The Company has grown multifold and performed significantly well over the period.

With a view to rewarding the existing shareholders, encouraging the participation of small investors by increasing the liquidity of the equity shares and to expand the retail shareholders' base, the Board of Directors, at their meeting held on July 7, 2021, considered, approved and recommended a bonus issue of one equity share for every one equity share held as on a Record date decided for this purpose. The bonus issue of equity shares will be subject to the approval of shareholders and other approvals, consents, permissions, conditions and sanctions, as may be necessary. The Record date for reckoning the eligible shareholders entitled to receive bonus shares has been fixed as August 20, 2021.

The bonus shares, once allotted, shall rank pari-passu in all respects and carry the same rights as the existing equity shares and holders of the bonus shares shall be entitled to participate in full in any dividend and other corporate action, recommended and declared after the new equity shares are allotted.

The bonus issue of equity shares would, inter alia, require appropriate adjustments with respect to Stock Appreciation Rights which have been granted / to be granted as on the above Record date to employees under Redington Stock Appreciation Right Scheme, 2017, pursuant to the SEBI (Share Based Employee Benefits) Regulations, 2014 and any amendments thereto from time to time.

Presently, the authorized share capital of the Company is ₹ 85,00,00,000/- (Rupees Eighty Five Crores) divided into 42,50,00,000 (Forty Two Crores and Fifty Lakhs) equity shares of ₹ 2/- (Rupees Two) each.The issue of bonus shares as aforesaid would require an increase in capital from ₹ 85,00,00,000 to ₹ 1,70,00,00,000/- (Rupees One Hundred and Seventy Crores) and corresponding amendments to the existing Clause V of the Memorandum of Association of the Company such that the authorized share capital is increased to ₹ 1,70,00,00,000/- (Rupees One Hundred and Seventy Crores) divided into 85,00,00,000 (Eighty Five Crores) equity shares of ₹ 2/- (Rupees Two) each.

The bonus issue of equity shares, increase in authorized capital and alteration of relevant clauses of the Memorandum of Association of the Company are subject to members' approval in terms of Sections 13, 61 and 63 of the Companies Act, 2013 and any other applicable statutory and regulatory approvals. The capitalization of free reserves and/or the securities premium account and/or the capital redemption reserve account requires members' approval as per the Articles of Association of the Company.

Accordingly, the Board recommends the resolutions set forth in Item no 7 and 8 for the approval of the members.

No director, key managerial personnel or their relatives are directly or indirectly concerned or interested in the resolutions at Item no 7 and 8 of the Notice except to the extent of their shareholding and outstanding stock appreciation rights, if any, and shares which may be allotted to them as part of this bonus issue.

By Order of the Board
For Redington (India) Limited

Place: Chennai
Date: July 7, 2021

M Muthukumarasamy
Company Secretary

Annexure A

Details of Directors seeking appointment / re-appointment at the Annual General Meeting

Name of the Directors	Mr. Tu, Shu Chyuan	Mr. Rajiv Srivastava
	DIN: 02336015	DIN: 03568897
Date of Birth	January 18, 1958	October 3, 1964
Age	63 years	56 years
Date of Appointment / Re-appointment	October 24, 2008	April 2, 2021
Experience	Mr. Tu, Shu-Chyuan is currently the VP of business development of Synnex. Prior to joining Synnex, he worked for various computer networking companies in the State and had focused expertise in planning and management. He has an overall 37+ years of working experience in the global IT industry. He joined Synnex in 1994 and held a series of management positions.	Mr. Rajiv Srivastava has been in leadership roles in the Technology industry in India and overseas for 30+ years. His last assignment was as the MD & CEO of Indian Energy Exchange Limited (IEX). Prior to IEX, he was the Chief Operating Officer for Asia Pacific & Japan at Hewlett-Packard (HP), based out of Singapore. He was also a member of the HP's global strategy board. Before taking up the assignment at Singapore, Mr. Rajiv Srivastava served as the Managing Director - HP India, for 6 years.
Qualifications	Engineering Graduate from the National Chiao Tung University, Taiwan and has a Master's degree in Computer Engineering from San Jose State University, USA	Bachelor's Degree in Mechanical Engineering from the Birla Institute of Technology and Science, Pilani and a Diploma in International Business from Helsinki School of Economics.
Expertise in specific business function	Business Strategy	Business Strategy, Distribution & Vendor Experience, General Management
Last drawn remuneration for FY 2020-21	Nil	Not Applicable
Remuneration sought to be paid	Nil	Please refer to the Explanatory statement given as part of AGM notice for details on the remuneration.
Directorship in other Indian Public Limited Companies other than Redington (India) Limited	Nil	Nil
Membership/Chairmanship in Committees of Indian Public Limited Companies other than Redington (India) Limited	Nil	Nil
Shareholding details in the Company, including shareholding as beneficial owner	Nil	Nil
Period of Appointment	Subject to retirement by rotation	Five Years, with effect from April 2, 2021
Relationship between Directors, Manager and other Key Managerial Personnel Inter-se	Nil	Nil

For details on number of Board Meetings attended during the year, please refer to the Report on Corporate Governance, which is part of this Annual Report.

Registered Office:

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