REDINGTON

delivering value. 20 years and counting.

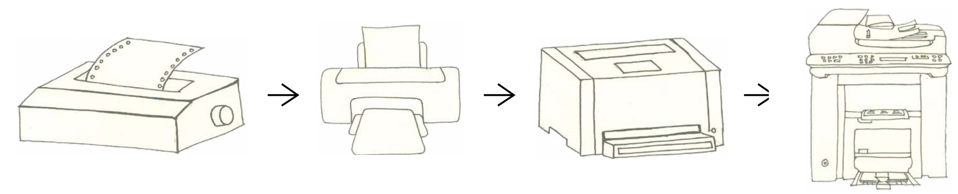
annual report 2012–13

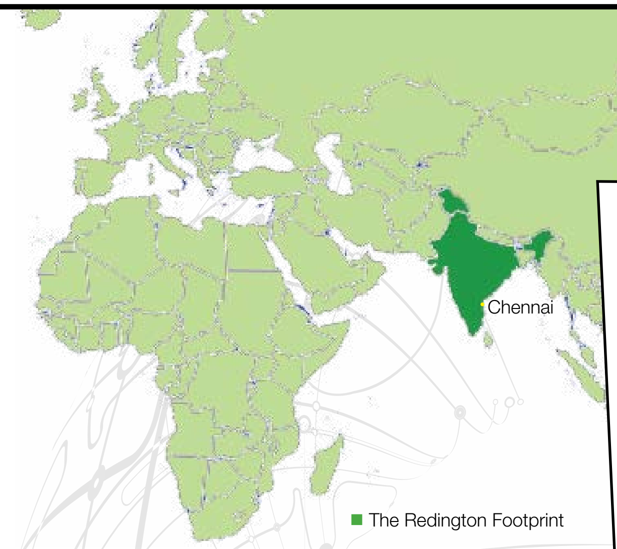
contents

"A mile from shore a fishing boat chummed the water, and the word for Breakfast Flock flashed through the air till a crowd of thousand seagulls came to dodge and fight for bits of food. It was another busy day beginning. But way off alone, out by himself beyond boat and shore, Jonathan Livingston Seagull was practicing. A hundred feet in the sky, he lowered his webbed feet, lifted his beak, and strained to hold a painful hard twisting curve through his wings, The curve meant that he would fly slowly, and now he slowed until the wind was a whisper in his face, until the ocean stood still beneath him. He narrowed his eyes in fierce concentration, held his breath, forced one... single...more...inch...of...curve..." - Richard Bach

Like the allegoric Jonathan Livingston Seagull, who dreamt of greatness and success by following a different course, Redington has made it its business to dream differently in order to venture beyond; to think differently and make its own rules, to open up a world of infinite possibilities. And thereby has succeeded to stay apart and ahead of its peers.

the start





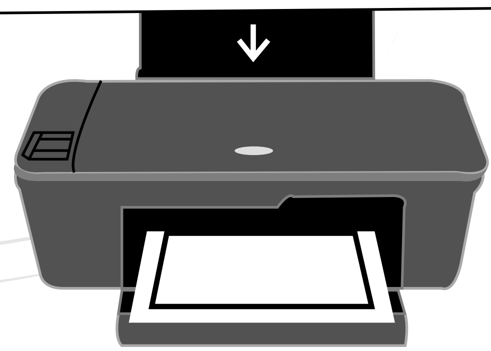
1993

Redington started operations in 1993. The time was propitious as across the globe technology was advancing rapidly. The age of the microprocessor had dawned and new ways to connect to the world were emerging almost on a daily basis.

The year 1993 was a significant milestone in India's economic growth story as well. At the time the IT industry in the country was just a fledgling, but fraught by the pressures of the License Raj. Elsewhere in the world, companies were busy—the world's first plasma display screen was unveiled in 1992 by Fujitsu Corporation alongside the IBM Simon – the world's first concept of the Smartphone. The revolutionary Pentium brand from Intel came next in 1993. India then took a forward thinking step and announced Trade and investment policy reforms helping usher huge flows of foreign capital investment into the country.

This was the backdrop against which the Redington seed started to germinate. The company aimed to distribute products that would cater to the needs of India's IT industry and it started with the distribution of printers. The company's early success with the sale of printers encouraged it to soon look at computer peripherals or adjacencies as a potential market. Ink and paper for the printers therefore came next on the product list followed by computers. And as more products were added, many brands like Epson, HP, Compaq, Intel, and Philips joined the vendor list. The brand REDINGTON got established.

The company's distribution network quickly spread across India—in the South, West, North, and East. This then was the genesis of what is today a multi product (IT, Telecom, and Lifestyle) distribution company. Much of Redington's early achievements stemmed from its enviable stock pipeline, thanks to which it could make 'just-in-time' deliveries catering to customer needs and license approvals. This strategy paid Redington rich dividends.



1st Product - Printer

FY 1994

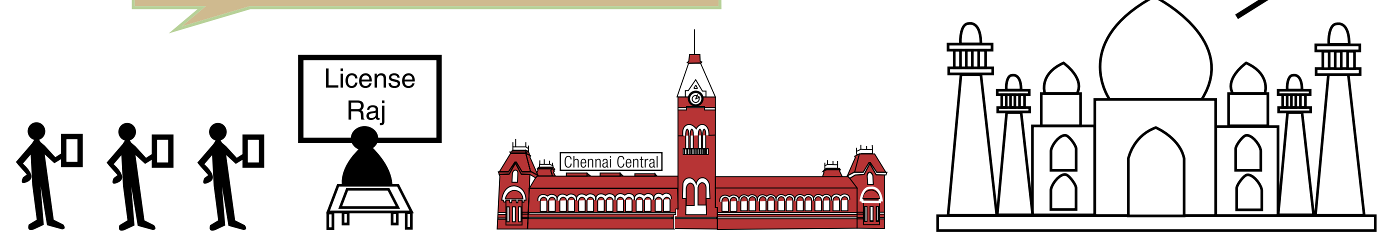
- 3 Branches
- 25 Dealers

The Redington Strength

- Connecting MNC IT brands to customers in India
- 'Just in time deliveries'
- Creating the IT channel in India for superior end customer experience
- Focus on adjacencies

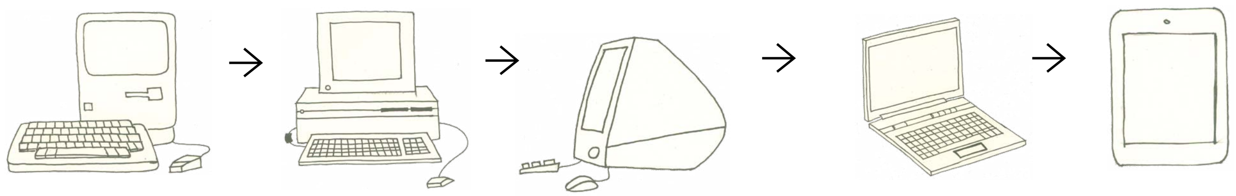
Early Vendors

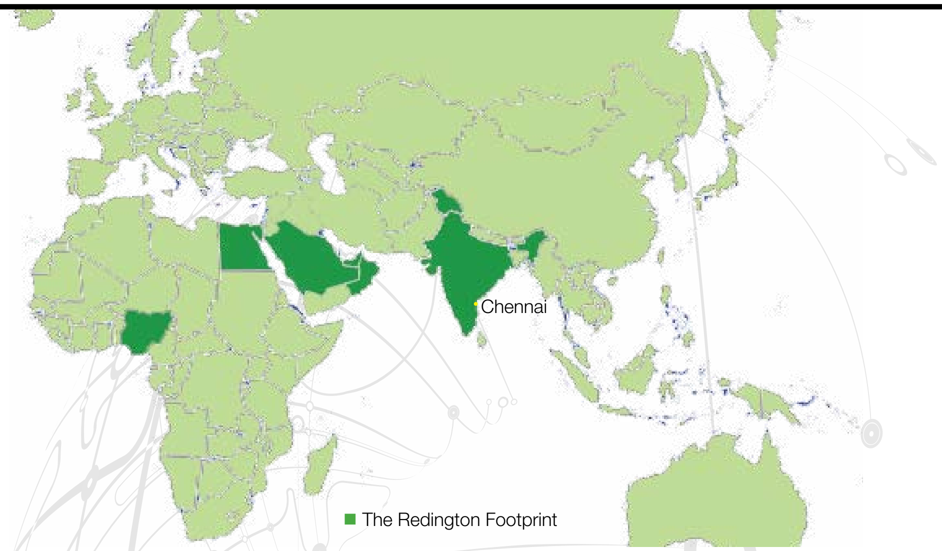
- Printers: NEC, Epson, HP, Canon
- CPUs: Intel
- PCs: Compaq



1993 - 1997

the emergence



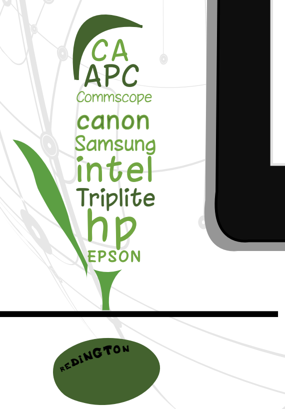


This was the turn of the century. The Millennium or Y2K as it was popularly known in the IT industry. India was being increasingly recognised as a growing global hub for IT and IT enabled services.

Redington continued to stay ahead of the times. Much before India Inc. started to go global, the company had developed international markets and tread into difficult-to-penetrate geographies. The beginning was made in Dubai in 1997 spearheading what would one day lead to operations in twenty countries around the world. Redington had by now enhanced its offerings. It had forayed into computing devices and apart from peripherals, systems, software, and components, enterprise and networking products started to play a vital role in the company's product base. Redington added IBM, APC and Canon to its vendor base and increased its distributing reach within the country.

About this time— 2000-2001—the Indian software and services industry led by brands like Infosys, Wipro, Satyam, and HCL was creating a revolution. Software exports grossed a total of USD 6.2 billion.

Given its expanding business, Redington saw the need for a unique software application capable of managing its logistics, warehousing, accounting and other operations, and installed its first ERP system which offered the company viable solutions in all areas.



1998 - 2002

Y2K

Product Basket

- IT peripheries
- Software systems
- Enterprise products
- Networking components

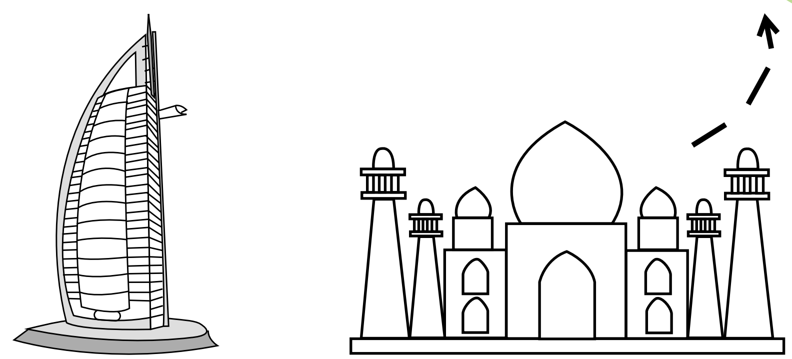
Diverse Products

Printers

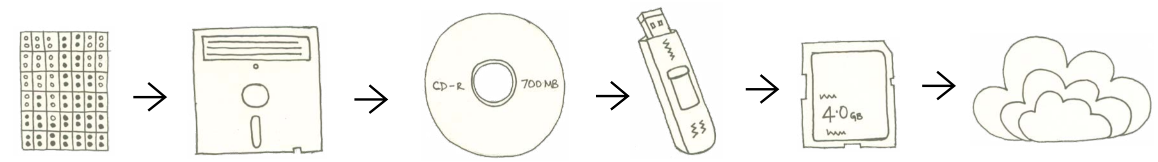
Computing Devices

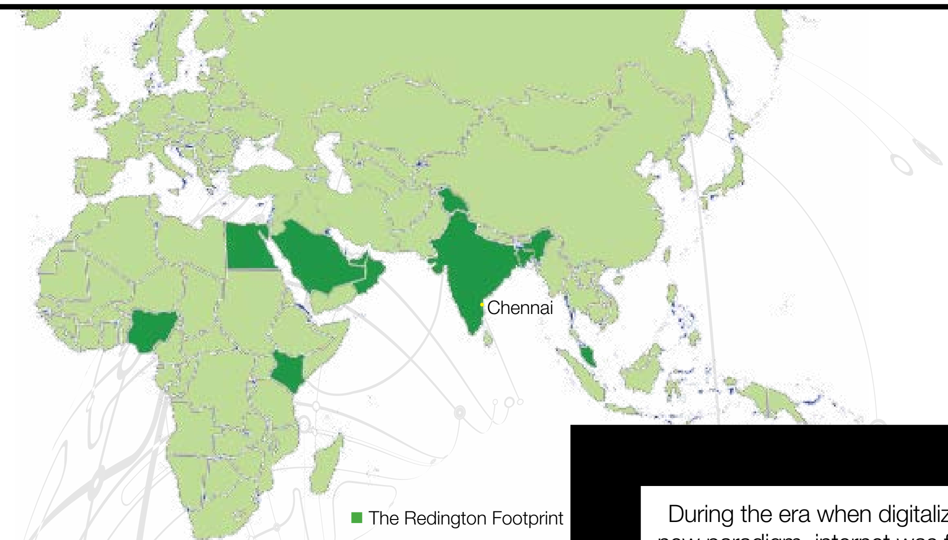
Software

Storage systems and networking componenets



the expansion





During the era when digitalization had become the new paradigm, internet was fast penetrating into the nooks and corners of India at high speed. Mobile phones were becoming the preferred mode of telephone communication. Redington was also growing. Fundraising, important at this juncture for expansion, included a strategic arrangement with Synnex, and private equity investment by ChrysCapital. The company's sterling reputation ensured a thumping success of its initial public offering in 2007, evidenced by an over subscription of 43.27 times. Redington made a conscious move at this time towards diversifying its product range and offering value added services, at various touch points of the IT supply chain. It had grown to become India's largest distributor of IT products and a prized solutions provider to its vendors and channel partners.

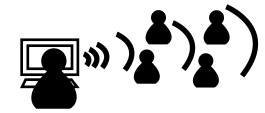
On the product side, in a well considered move to de-risk its concentration on IT products, the company acquired distributorship for gaming products and non-IT consumer products. On the technology side, it added enterprise products—storage and servers—to its product base. It built strong capabilities in the logistics space and made significant investments to build state of the art Automated Distribution Centres— one in India and one in Dubai.

The company's significant presence across product categories soon entrenched it markedly in international markets. In 2007 the company's domestic and international operations recorded impressive growth and its consolidated revenues crossed the important milestone of USD 2 billion. Redington evolved from a 3 branch, 25 dealer operation in 1994 to a formidable player in the distribution space across 3 big land masses—South Asia, the Middle East and Africa. From a single brand product offering in 1994, the company started to provide supply chain solutions to 40+ leading global brands in India and 19 brands in international markets.

Supply Chain Solutions Provider

- Distribution
- After Sales Service
- Warehousing

Internet Proliferation



Diverse Range

- IT products
- Gaming products
- Non-IT consumer products

Milestones

Synnex — Redington

ChrysCapital $ $ $ → Redington

BSE
NSE

15th Feb. 2007
Oversubscribed
43.27 times

40+ Brands (India)
19 Brands (International)

USD 2 Billion

2007

Consolidated Revenue

Footprint

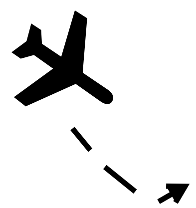
India
- 39 Branches
- 50 Warehouses
- 123 Service Centres
- 12000+ Channel Partners

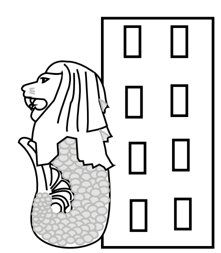
International
- In 20 Countries
- 14 Offices
- 7 Warehouses
- 60 Service Centres
- 2800+ Channel Partners

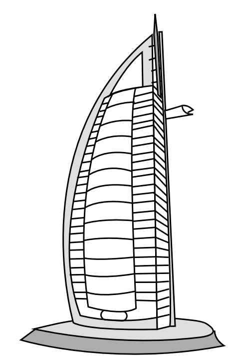
Automated Distribution Centres

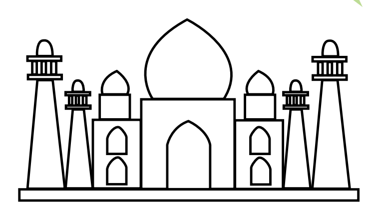
1 India   1 Dubai

2003 - 2007









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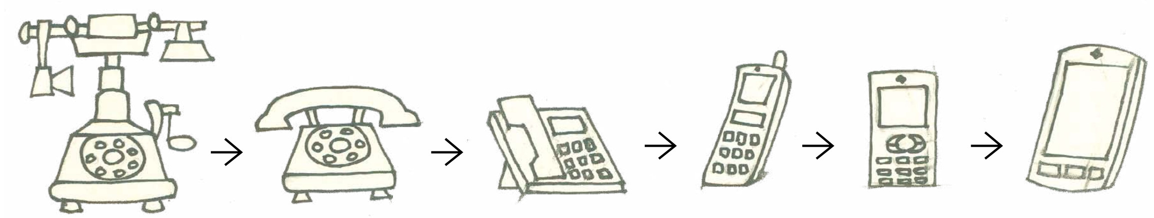
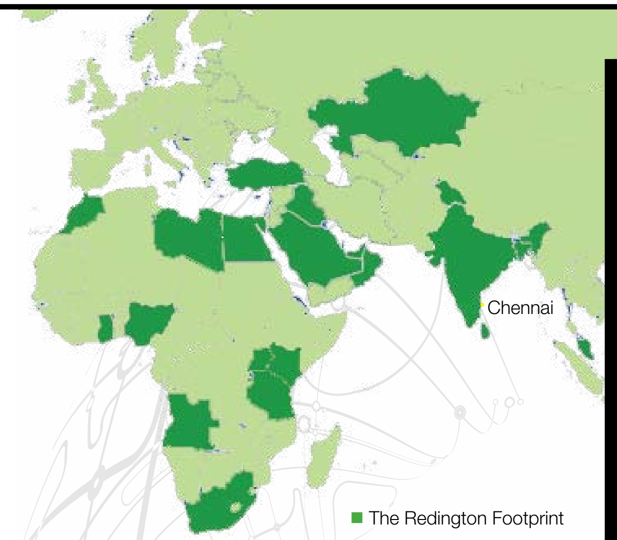
the transformation





Overseas operations continued to contribute a significant share, nearly 50%, to the consolidated earnings of Redington. In 2008 for the third consecutive year Redington bagged the top spot as the # 1 player in the IT products distribution in the MEA region. The company's capabilities to service products during the warranty and post warranty periods, was a big value-add to the brand owners and made the Redington business model unique in approach.

During the same year Redington, in a move to assist its channel partners in the distribution ecosystem, acquired 100% shareholding in the NBFC Easyaccess, founded on an easy credit system, to meet their financial requirements.

In Fiscal 2009, Redington sealed exclusive distribution rights for the unlocked version of the BlackBerry brand Smartphones, with RIM—an important addition to its commercial product portfolio. During the same year, Redington invested in building support services infrastructure to cater specifically to BlackBerry Smartphone customers in India and set up service centers in 10 cities. Redington was now the leading partner for Nokia in Nigeria, a large market for mobile handsets and distribution networks were also set up in Ghana and Kenya. In 2010, when Dell exited its 'All Direct' business model and sought distributors, the brand became a key addition to Redington's vendor bouquet in the Middle East.

During FY 11, Redington expanded its international footprint into Turkey, opening the door to new markets in Eurasia. It purchased 49.40% shares in a company listed on the Istanbul Stock Exchange, ARENA BILGISAYAR SANAYI VE TICARET ANONIM SIRKETI (Arena), whose culture and ways of doing business closely matched Redington's.

Redington's capability in offering end to end support to vendors included product launches and coordination of advertising. The company became a preferred partner for brands like Apple for simultaneous global product launches. The first of these was the iPad 2 launch in 2011 in India together with markets like Singapore and Hong Kong. This was a key offering at a time when social media had become a prime marketing tool for businesses and a social interaction medium for people across the globe. Gaming products like the Xbox Kinect from Microsoft and the PlayBook from RIM soon followed with global launches as well.

Redington is a 'management run' and 'professionally managed' company. In July 2011, the promoter group together with the company's strategic shareholder brought down their shareholding to below 25% each, which enabled Standard Chartered Private Equity to acquire a 11.99% stake in the company. The forward thinking leadership in Redington has helped the company stay ahead of its peers in all aspects of its business.

REDINGTON

2008 - 2013

FY 2008

- #1 Player in IT products distribution in MEA
- 100% shareholding in NBFC Easyaccess

Business Week, USA rates

- 55th amongst top technology companies globally
- Global #3 in terms of total return to shareholders

FY 2009

- Distribution rights for the unlocked version of BlackBerry smart phones with RIM
- InvestCorp invested USD 65 mn in the company's MEA operations

FY 2010

- Leading partner for Nokia in Nigeria
- Started distribution business in Ghana & Uganda
- Signed up with DELL in the Middle East
- Support services infrastructure to cater specifically to BlackBerry smart phone customers

FY 2011

- arena — ARENA, Turkey (Listed on the Istanbul Stock Exchange) 49.40%
- Launch in India simultaneous with global launches: Apple iPad 2, Microsoft Xbox Kinect, RIM PlayBook

FY 2012

- Entered a strategic relationship with EMC for distribution of their storage products through Cadensworth.
- Redington Gulf FZE started distribution of Samsung mobile devices, in the Africa regions.
- Standard Chartered — StanChart PE 11.99%
- DQ Top Distributor award in India

Automated Distribution Centre

Chennai

2010

225,000 pallet sq. ft.

Superior Warehouse Management System

Well poised for 3rd Party Logistics opportunites

FY 2013

- Strategic move towards making the supply chain management division a neutral service provider.
- Wholly owned subsidiary, ProConnect Supply Chain Solutions Limited launched in 2012. It offers the entire gamut of warehousing and logistics services including Third Party Logistics (3PL) solutions.
- Operating as an independent entity under the brand 'Ensure' in the MEA markets. A neutral entity offering pre and post sales services.

Value Added Services

- Customised supply chain options
- Project financing and deliveries
- Training of Channel Partners
- 360 degree services

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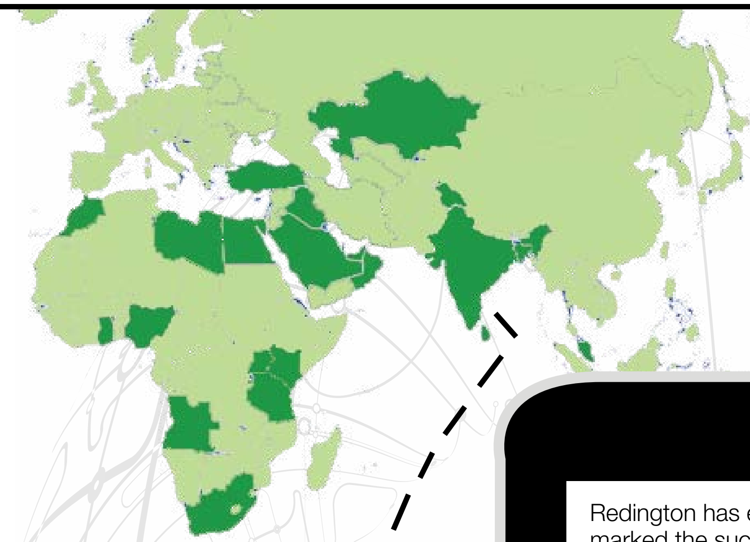
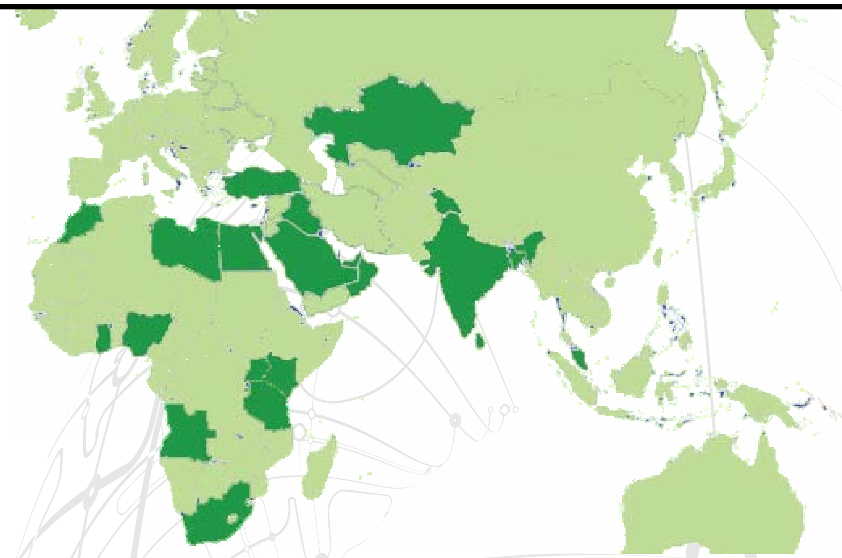
celebrating 20 years



Redington has etched many milestones in its twenty year history. FY12 marked the successful completion of five years of public listing for the company; tumultuous years as they were, in terms of global and local uncertainties. Starting with the Lehman crisis in 2008, followed by the meltdown in Dubai, and in quick succession the Arab Spring, "there was not a dull moment". Added to this was the political paralysis in decision making in India and the steep fall in the value of the rupee—all compounding the woes in the business environment. But despite these trying situations, Redington has over these twenty years delivered hallmark performance year after year. It has retuned dividends to its shareholders, consistently, from the time of listing. Diversity in geographies, a large combination of vendors, and a well balanced product portfolio have helped to keep Redington nimble and capable of taking advantage of available growth opportunities even in tough business environments.

In the twenty years that Redington has been in business it has grown from a Rupees 4 crore, single brand, single country distributor to a Rupees 24,200 crore supply chain solutions provider pan India, pan Middle East, and pan Africa—no small achievement and made possible by best in class skills and financial discipline. The Redington culture nurtures relationships, embraces superior work ethics, and promotes futuristic thinking. The rich emotional bank account it has built with its nearly 34,000+ channel partners, and the trust it has cultivated with its 100+ vendors globally, are matters of pride.

Redington has stayed ahead of the times since inception. It will continue to leverage its leadership in the distribution of emerging technologies, and solution based distribution capability, to increase presence in emerging markets like India, Sri Lanka, Bangladesh, Middle East, Turkey and Africa. Having started with just printers, the company now has an exhaustive product list including personal computers, digital technology products, gaming products, and lifestyle consumer products like Smartphones and tablets. Value added service offerings, the company's signature focus on adjacencies, has historically been the cornerstone of Redington's success. The future looks no different.



The Redington Culture

- Nurtures relationships
- Embraces superior work ethics
- Promotes futuristic thinking

Global Footprint

- 34,000+ Channel Partners
- 100+ vendors

Redington's Advantage

- Forward thinking management style
- End to end supply chain solutions capability
- Rich emotional bank account with channel partners

- Rupees 24,200 crore supply chain solutions provider
- Multi brand
- Pan India, pan Middle East and pan Africa

↑

- Rupees 4 crore, single brand, single country distributor

message to shareholders

R Srinivasan

Raj Shankar

Dear Members,

Your Company celebrates its twentieth anniversary of operations this year. In the last two decades your Company has been in business, the year just finished has been the most challenging one. The uncertainties of policy direction, the weakening of the rupee together with the extreme volatility in India, the social unrest in many of the countries in the Middle East/North Africa region and the global shift in the market place from PCs to tablets and smartphones, made the year gone by very unpredictable.

In spite of the difficult environment your Company continued to grow in fiscal 2013 and posted 14.0% revenue growth and 10.4% PAT growth over fiscal 2012. For the second year in succession your Company showed a positive cash flow from operations. The Board of Directors of your Company has recommended a dividend of 20% on the face value of the shares, in line with last year.

With great satisfaction we would like to share with you that your Company was ranked by Data Quest - a leading IT Magazine in India, as the number 1 distributor. Redington Gulf-your Company's overseas subsidiary, was ranked by Channel Middle East as the number 1 distributor in the Middle East for the 7th consecutive year.

The benefits of diversification of operations to different regions in the world came to the fore this year. While India had its own problems related to governance issues which had a spill over on business and a much slower GDP growth, Turkey turned out to be a good investment. Arena's profits grew considerably and contributed to about 7% of your Company's profit in fiscal 2013. Your Company will continue to look at geographical expansion mainly through setting up green field operations. We have established a beachhead in Kazakhstan as we would now like to consider the cluster of the CIS countries for further expansion.

Similarly, brand and product diversification has also helped to sustain the growth of your Company. On account of BlackBerry's internal problems, your Company's decision to engage with Apple in their Smartphone segment commencing October 2012 enabled it to arrest the decline in revenues of BlackBerry. Furthermore, the combined sales of BlackBerry and Apple in fiscal 2013 were more than in fiscal year 2012 in the Smartphone category. The same is true of the PC business in Gulf where despite a steep drop in HP's and Dell's market share, your Company was able to increase its total revenue in PC business by partnering with Lenovo. Your Company's strategy of embracing geographical diversity and product/brand portfolio has proved to be of considerable value. Your Company by virtue of its pan India operations faces a variety of tax regulations in different states. The amount of tax paid by your Company in fiscal year 2013 was over Rs.1400 Crore, consisting of Customs Duties, Countervailing Duty, Sales Tax, Service Tax, Income Tax and Octroi. In many cases the applicability of the tax code is not clear cut and subject to interpretation. Your Company's track record shows that in the past when differences have occurred in interpretation, your Company's stand has been upheld by higher appeal forums in an overwhelming number of cases.

In the year 2008 to enable Investcorp to take a stake in Redington Gulf's operations, Redington India's holdings in Redington Gulf, was restructured. Prior to the restructuring we had taken the opinion of reputed tax lawyers including two of the Big Four Audit Firms, regarding the applicability of transfer pricing. The unanimous opinion was that Transfer Pricing was not applicable.

However in March 2013, the Tax authorities raised a demand of Rs.138 Crore and in addition, interest would be charged under the head of Transfer Pricing. We intend to defend our stand vigorously in higher appeal forums. A number of other Indian companies have also been issued Transfer Pricing demands. It is such incidents and the ambiguous nature of laws in India that render business outcomes in the country uncertain.

In February 2012, your Company had taken a 5 year term loan for USD 78 million to enable the buy-back of shares from Investcorp. This loan was at an all-inclusive interest rate of 3 months LIBOR +5.5% p.a. We have recently been able to refinance the loan at 3 months LIBOR +3.5% p.a. Going forward the intention is to pay back the loan from internal accruals over the tenor of the loan.

In the year under review "ProConnect" was set up as a logistics company in India to fulfil the logistic services requirement of Redington and other third party customers. We are happy to share with you that a number of companies apart from Redington, like Vodafone, Dorma, Kansai Paints, Benq, Lenovo, Acer have engaged ProConnect to provide a part or complete logistics solution.

With the planned introduction of GST in India going forward, logistics would be more focused on efficiency improvement rather complying with provincial tax requirements. ProConnect by virtue by handling over 80 principals of Redington in over 70 locations would have a major advantage while soliciting business from other companies. It is your company's intention to grow this business using the capacity available in existing warehouses. Once the business reaches a critical size and clarity is available on GST implementation, your company would evaluate the need to build additional logistic centres.

Easyaccess, the NBFC arm of the Indian operations had a transformational year. With the announcement of new regulations by the Central Bank (RBI) the original model on which the NBFC was planned and run had to undergo change. An important regulatory change was that factoring had to be conducted under a separate entity.

The slowdown in the economy increased the stress in the market place. The original model was to provide working capital finance to channel partners of Redington as well as of other industries. With demand being sluggish and risk higher than earlier, Easyaccess followed a prudent policy in terms of not increasing its book size. This meant higher nett interest margin and a lower profit than a year earlier. We continue to explore various ways to make Easyaccess of strategic relevance to Redington.

Your company's strategy is to spin off the key elements of distribution business into separate subsidiaries. Redington Gulf has housed its services business in a new subsidiary called 'Ensure'. This company would be a neutral services provider in the Middle East and Africa regions.

The outlook for the coming year is at best cloudy. There has been a substantial scale back of investment by large corporates in India. Many large government projects involving Information Technology implementation are awaiting approval. The consumer mood is sombre and there is a visible slowdown in consumer demand. Your Company which is the leader in the Digital products space both in India and the Middle East, would have to necessarily depend on market growth rather than market share growth across all product lines. In markets that your Company operates in, it would be your Company's endeavour to be the No.1 player and grow faster than the market.

One year is but a small period in the history of a Company. The markets in which your Company operates and the under penetration of the products your Company sells in these markets, offer a great opportunity for growth in the coming years. Your Company over the years has built good infrastructure in these markets which will not be easy for others to replicate. Over the long term your Company is well poised for growth.

Mr. William P. Adamopoulos, Publisher of Forbes Asia Edition, who was an Independent Director for the last 5 years expressed a desire to step down. His extensive travels in Asia made it difficult for him to be present in person to attend Board Meetings. His active participation at the Board Meetings has been beneficial to the Company.

During the year your Board has co-opted Mr. V.S. Hariharan and Mr. Keith WF Bradley as Independent Directors in your Company. Mr. Hariharan retired as Vice President - HP Asia Pacific after being with them for over 18 years. Mr. Bradley was till recently President of Ingram Micro in North America. Both Mr. Hariharan and Mr. Bradley bring in extensive relevant experience in the field in which your Company operates. Their experience would definitely benefit your Company. The brief particulars of Mr. Hariharan and Mr. Bradley are given separately in this Annual Report .

The Board of Directors at their meeting held on 22nd May 2013, has elevated Mr. Raj Shankar as the Joint Managing Director.

We wish to take this opportunity to thank our fellow Directors on the Board, employees and all other constituents for their support and more specifically our shareholders for their abiding trust in Redington, and look forward to their continued support in the coming years.

With warm regards

R. Srinivasan
Managing Director

Raj Shankar
Joint Managing Director

five years at a glance

standalone financials

(₹ in Crore)

Particulars	2012-13	2011-12	2010-11	2009-10	2008-09	CAGR
Total Revenue	10,454.55	9,871.48	8,144.84	6,278.84	5,896.43	15%
EBITDA	342.80	321.24	249.92	201.60	173.87	18%
PBT	248.94	233.29	193.40	153.16	124.25	19%
PAT	171.37	156.81	128.44	99.46	80.69	21%
Networth	1,065.47	908.97	764.06	675.98	614.39	
Capital Employed	1,684.74	1,529.69	1,279.09	1,051.50	904.29	
EBITDA / Revenue	3.28%	3.25%	3.07%	3.21%	2.95%	
PAT / Revenue	1.64%	1.59%	1.58%	1.58%	1.37%	
Return on Average Capital Employed *	32.33%	35.01%	33.04%	31.67%	31.20%	
Return on Average Equity *	44.00%	50.03%	48.44%	38.97%	29.76%	
EPS (FV ₹2) (₹) #	4.29	3.94	3.25	2.54	2.07	
Book Value per Share (FV of ₹2) (₹)	26.69	22.81	19.28	17.19	15.78	

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

* Investments made in wholly owned Subsidiaries & Dividend income received is excluded

consolidated financials

(₹ in Crore)

Particulars	2012-13	2011-12	2010-11	2009-10	2008-09	CAGR
Total Revenue	24,210.38	21,222.02	16,722.66	13,277.65	12,375.99	18%
EBITDA	682.93	633.40	471.65	365.72	329.57	20%
PBT	462.41	450.33	351.00	275.92	219.02	21%
PAT	323.11	292.74	226.00	184.33	159.66	19%
Networth	1,640.68	1,322.48	1,255.32	1,075.72	1,002.20	
Capital Employed	3,947.11	3,477.61	3,186.28	2,464.57	2,226.51	
EBITDA / Revenue	2.82%	2.98%	2.82%	2.75%	2.66%	
PAT / Revenue	1.33%	1.38%	1.35%	1.39%	1.29%	
Return on average capital employed *	17.69%	18.44%	16.01%	14.59%	17.23%	
Return on average equity *	22.82%	23.93%	19.95%	17.74%	19.12%	
EPS (FV ₹2) (₹) #	8.10	7.35	5.72	4.70	4.10	
Book Value per Share (FV of ₹2) (₹)	39.46	33.18	31.67	27.36	25.74	

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

Note:
Financials are post acquisition of following entities—FY06 (Redington Distribution Pte Ltd and Cadensworth (India) Ltd) and FY08 (Easyaccess Financial Services Limited) and FY11 (Arena)

corporate information

chairman	Prof. J Ramachandran
managing director	R Srinivasan
joint managing director	Raj Shankar
whole-time director	M Raghunandan
directors	R Jayachandran Tu, Shu-Chyuan Lin Tai-Yang Nainesh Jaisingh N Srinivasan V S Hariharan Keith WF Bradley
company secretary	M Muthukumarasamy
statutory auditors	M/s Deloitte Haskins & Sells
internal auditors	M/s PricewaterhouseCoopers

bankers – india

ANZ Banking Group Ltd	Deutsche Bank	Kotak Mahindra Bank Ltd
Axis Bank Ltd	First Rand Bank Ltd	Standard Chartered Bank Ltd
Bank of Nova Scotia	HDFC Bank Ltd	State Bank of India
Barclays Bank PLC	ICICI Bank Ltd	The Hongkong & Shanghai Banking Corporation Ltd
BNP Paribas	IDBI Ltd	The Royal Bank of Scotland
Citibank	IndusInd Bank Ltd	Yes Bank Ltd
DBS Bank Ltd	ING Vysya Bank	

bankers – overseas

Axis Bank, Dubai	ICICI Bank, Bahrain	BNP Paribas, Singapore
Bank of Baroda, Dubai	ICICI Bank, DIFC	HSBC, Singapore
Barclays Bank, Dubai	Macquarie Bank, London	ICICI Bank, Singapore
BNP Paribas, Dubai	Mashreqbank, Dubai	Maybank, Singapore
Dubai Islamic Bank, Dubai	National Bank of Fujairah, Dubai	OCBC Bank, Singapore
Emirates NBD Bank, Dubai	Standard Chartered Bank, Dubai	Standard Chartered Bank, Singapore
First Gulf Bank, Dubai		UCO Bank, Singapore
HSBC, Dubai		

directors' report

To the Members,

Your Directors take pleasure in presenting their Twentieth Annual Report for the year ended March 31, 2013.

Financial Highlights

(₹ in Crore)

Particulars	Consolidated		Standalone	
	2012-13	2011-12	**2012-13**	2011-12
Net Sales /Income from operations	**24,164.66**	21192.99	**10,409.67**	9840.40
Add: Other Income	**45.72**	29.03	**44.88**	31.08
Total Revenue	**24,210.38**	21222.02	**10,454.55**	9871.48
Less: Total Expenditure				
a) Cost of goods sold	**22,738.05**	19934.75	**9821.41**	9280.90
b) Employee Benefits	**348.16**	280.37	**102.09**	97.53
c) Other Expenditure	**441.24**	373.50	**188.25**	171.81
Profit before Interest, Taxes, Depreciation and Amortization **(EBITDA)**	**682.93**	633.40	**342.80**	321.24
Less: Finance Cost	**182.65**	152.04	**83.86**	77.40
Less: Depreciation and Amortisation	**37.87**	31.03	**10.00**	10.55
Profit before Tax (PBT)	**462.41**	450.33	**248.94**	233.29
Less: Tax Expense	**115.07**	111.29	**77.57**	76.48
Profit after Tax (PAT)	**347.34**	339.04	**171.37**	156.81
Less: Share of loss of Associate	**0.03**	0.02	**Nil**	Nil
Less: Minority Interest	**24.20**	46.28	**Nil**	Nil
Net Profit for the year	**323.11**	292.74	**171.37**	156.81

Your Directors have made the following appropriations:

		(₹ in Crore)
Balance of Surplus brought forward from last year		425.16
Less: Dividend for the year 2011-12 including Dividend Distribution Tax on equity shares allotted under the ESOP scheme after the closure of that financial year		0.01
		425.15
Add: Net Profit for the year 2012-13		171.37
Profit available for appropriation		596.52
Less: Proposed Dividend @ ₹ 0.40 per Equity Share of ₹ 2/- each (i.e. 20%) for the year ended March 31, 2013	15.97	
Dividend Distribution Tax	0.26	
Transfer to General Reserve	12.85	29.08
Surplus carried forward		567.44

Dividend

Creating long term value to the shareholders by meeting financial commitments without diluting capital or increasing the debt base remains our single most important priority. Considering this objective, the continuing economic slowdown, our present financial commitments, and future cash flows, your Directors are pleased to recommend a dividend of ₹ 0.40 per equity share of face value ₹ 2/- each of the Company for the financial year 2012-13.

Financial Performance

The consolidated revenue of your Company was ₹ 24210.4 Crore as against ₹ 21222.0 Crore in the previous year with a CAGR of 18% for five years. The consolidated net profit for the year under review was ₹ 323.1 Crore as against ₹ 292.7 Crore in the previous year with a CAGR of 19% for the last 5 years.

The Standalone revenue of your Company was ₹ 10,454.6 Crore as against ₹ 9871.5 Crore in the previous year with Year-on-Year growth 5.9% with a CAGR of 15% for the last 5 years and the profit after tax was ₹ 171.4 Crore as against ₹ 156.8 Crore in the previous year with Year-on-Year growth 9.3% with a CAGR of 21% for the last 5 years.

The Earnings per Share (EPS) on a consolidated basis (based on weighted average number of shares) increased to ₹ 8.1 in the year under review as compared to ₹ 7.4 in the previous year. The EPS on standalone basis (based on weighted average number of shares) increased to ₹ 4.3 in the year under review as compared to ₹ 3.9 in the previous year.

Distribution business

Information Technology Products

Your Company's IT Distribution Business experienced mixed results during Financial Year 12-13. Growth during H1 was flat while a double digit Revenue growth was captured in the 2nd half of the fiscal.

Consumer and stock-and-sell Commercial products' demand remained muted throughout the year, with individual business growth coming in from change in vendor's market-share or your Company's gain in authorized territory or exclusive relationship with a vendor.

Progressive closures of long delayed large Projects in Enterprise and Government space during H2, where we were successful in partnering with National System Integrators, allowed us to grow revenue significantly, especially in the Infrastructure business space.

Capital spending on IT infrastructure by commercial establishments, by way of adopting new technology or going in for asset refresh was selective and conservative. This impacted the entire space of stock-and-sell and small/mid-sized back-to-back business.

Launch of Windows8 during Q3 was perceived as a game-changer and was expected to provide a boost in the demand for new client devices (laptops and desktops). However, slow transition to Win8 by most OEMs and non-availability of touch-based devices which showcase the specific advantages of this new operating system meant that consumers and companies were not enthusiastic enough to make a material difference to the demand.

During FY 12-13, fast changing consumer preference for Tablets and Smartphones started encroaching into the Notebook and PC space. Proliferation of low-cost, "acceptable" technology tablets is persuading consumers across geographies to consider tablets as their primary "information consumption", "entertainment" and "social interaction" device. Indian IT vendors have started realizing this inevitability and have now started strategizing on suitable product offerings to address this space.

Your Company's business in imported products was impacted by continuous fluctuation in the foreign exchange rate, which disturbed the Market Operative Price (MOP) by lowering the confidence level of the channel partners. This made it difficult to predict demand and plan the business in an effective manner.

The Assembled PC or the Do-It-Yourself (DIY) segment continued its trend of deceleration in demand and this resulted in all Component manufacturers experiencing declining Technology Acceptance Model (TAM) throughout the financial year. This has severely impacted your Company's revenues from sale of CPUs, Mother Boards, Display devices and Internal Hard Disc Drives.

Vendors and products catering to Security, Voice and Data solutions have experienced significant growth during FY 12-13. Your Company has been able to participate effectively in this space with vendors like Polycom, Avaya, Cisco, Systimax, Molex, HP, Fortinet, McAfee, Symantec, Cyberoam and SonicWALL.

Cloud computing is slowly gaining traction in the Indian market. Your Company has formulated its strategy for a foray into this emerging technology space in a very deliberate and considered manner. While all IT vendors profess to have Cloud "play", during FY 12-13, your Company has initiated partnerships with vendors having a clear and firm channel strategy. With the "Cloud portfolio" from Microsoft, IBM, Hitachi, NEC, Trend Micro, Adobe, VMware, CA, CtrlS and Netmagic, your Company is well positioned to commence a suite of offerings to its partners in the areas of Software-as-a-Service (SaaS), Infrastructure-as-a-Service (IaaS) and Platform-as-a-Service (PaaS). We are confident that this would allow your Company to have strong presence in the "distribution led space" in Cloud Computing.

Consumer and Lifestyle Products

The distribution of Consumer and Lifestyle products by your Company continued to show another strong performance in FY12-13 with a 24% revenue growth over the previous fiscal year.

Your Company continues to play a key role in India's Smartphone revolution. Your Company sealed a relationship with Apple for the distribution of their Smartphones. According to IDC, Apple garnered over 15% value market share in Q3 FY12-13 in India. BlackBerry has had a setback at the global level. However, the launch of its new line of devices (with the new Operating System - BlackBerry 10) has returned it to profitability as of Q4 FY12-13 and it is hoped that they will do well in India too.

Your Company has entered the eReader segment with its tie-up with Amazon. Your Company has been appointed as national distributor for Amazon's eReader line – Amazon Kindle. In the tablet segment, despite the significant growth of low cost tablet devices, the iPad business continued to show strong growth at 48% in FY12-13. The successful introduction of the iPad mini line of products contributed to this growth.

Your Company continues to be a key player in the fast growing Digital Printing space and has seen a 58% growth in revenues driven by both hardware and consumable sales.

Hardware Support Services

Your Company is one of the leading Service providers of IT and Telecom products in India. Through 69 owned service centers and additional 270 centres owned by authorized service partners, your Company is providing pre-sales, warranty and post-warranty services to many leading global brands like Hewlett Packard, Toshiba, IBM, Hitachi, EMC, NetApp, Brocade, Cisco, Lenovo, Fujitsu, Acer, Apple, BlackBerry, HTC, Motorola, among others—several of them for a decade or more. For brands as well as corporate customers, your Company is the single point of contact providing the entire spectrum of services - Call Centre services, Field Engineering support, Parts Warehousing, Forward and Reverse Logistics, Imports and Re-exports and Asset Recovery. All service operations are conducted on customized Customer Relationship Management (CRM) and Supply Chain Management (SCM) systems, to ensure process compliance, transparency and control.

To assure service excellence to our customers, and to enable predictability, efficiency and scalability in operations, your Company, during the past year, has developed and deployed world class Service automation tools across various functions, which are briefed below:

SMART is a Sales force automation tool specifically designed to facilitate sales management of Infrastructure Management Services (IMS) through prospect mapping, progressive tracking of every individual sales call, and designing of tailored expert support solutions to fulfill the business needs of each individual customer.

FIAT is an automated capacity planning tool that computes the optimized number of engineers in each skill category at each service location, besides identifying the training needs of individual engineers. This not only enhances the quality of services delivered to our customers, but also provides a career path to our workforce through continuous and relevant skill upgradation.

EXPART is an automated part prediction tool that enables part demand fulfillment rates of 95% and above, thus substantially reducing the turnaround times for remediation.

Given the large and ever-increasing base of assets under maintenance for your Company, it has commissioned an innovative way to facilitate the accurate collection of customer asset data from the field & instant direct upload into its CRM system, using MAGIC, a proprietary menu-driven 3G mobile device.

Your Company has also upgraded its Contact center for IMS to a professional Technical Assistance Center (I-TAC), equipped with multiple toll free lines, redundancy, Interactive Voice Response & Automatic Call Distributor, thus giving all its IMS customers guaranteed instant access for support services. Trained engineers at I-TAC now diagnose and resolve a large number of service requests either over the phone or through remote sessions, thus providing best-in-class customer experience.

Your Company's Support Services are ISO 9001:2008 and ISO 20000 certified.

Your Company's Enterprise Professional Service practice consisting of solution design & implementation support across Server, Storage, Data, Voice, Video & Security verticals enables brands to increase reach & sales. During the period under review, Brocade has appointed your Company as PSP (Professional Service Provider) for Storage Area Network (SAN) products, further expanding its Enterprise Storage Services portfolio.

In the Infrastructure Management Services space, many prestigious corporate customers like Commissioner of Commercial Tax - Odisha, Renault Nissan, Venky's, MP Electricity Board, L&T Heavy Engineering Division, Pipavav Defence & Offshore Engineering, Sahara Group and many others have entrusted your Company with the maintenance of their IT assets.

Your Company shall continue to sustain and improve its Service delivery excellence and deliver a unique value proposition to all stakeholders in the ecosystem—vendors, partners and customers.

Supply Chain Management Services

To capitialise on growth opportunities available in the supply chain solutions space, supply chain activities were transferred to ProConnect Supply Chain Solutions Limited (ProConnect), a Wholly Owned Subsidiary effective 1st October 2012. ProConnect acts as a neutral logistics service provider and focuses on the opportunities in the fast growing Third Party Logistics (3PL) market. Performance of ProConnect has been discussed in detail under Subsidiary Companies.

Automated Distribution Centers

To meet the fast growing requirement of warehousing space, your Company is creating warehouse infrastructure by setting up Automated Distribution Centres (ADCs) in four Metros in India. Unlike the ordinary warehouses, in which the storages are 'flat' and more spread out (horizontal), these ADCs have vertical storage using latest racking technologies like Very Narrow Aisle (VNA) and Selective Racking. These ADCs have world-class safety, security and surveillance fire-fighting systems.

The ADC in Chennai, which is in full operation now, is leased out to and operated through ProConnect Supply Chain Solutions Limited, the Supply Chain arm of your Company. Operations out of the ADC Chennai have been running very successfully over the last 40 months.This is clear proof that your Company is moving towards achieving efficiency through the concept of automation and process orientation. With an occupancy contribution of 40% and 50% comprising internal and external customers respectively, your Company is also focusing on third party logistics vigorously through ProConnect, thereby passing on shared benefits to your Company.

The construction of the ADC Kolkata is expected to be completed shortly and is likely to commence operations from fiscal year 2014.

In order to manage the growing needs of warehousing space and the expectation of efficiency in the northern part of the country, your Company has plans to also construct an ADC for Delhi & NCR. Your Company having bought the required land, is in the process of obtaining necessary approvals. Basic facilities at the site have been created and a compound wall has been built to secure the land.

Subsidiary Companies

Indian Subsidiaries are directly held by your Company. Overseas businesses at METACIS are carried out through Redington International Mauritius Limited, and in South Asia through Redington Distribution Pte Limited and their subsidiaries. Widening its horizon and venturing into difficult-to-penetrate regions enabled your Company to expand globally. All these factors enabled your Company to maintain a high growth trajectory though there are certain halts in the growth stories in Global trade and in the industry to which your Company belongs.

We broadly describe the operations of your subsidiary companies as follows:

Indian Subsidiaries

Easyaccess Financial Services Limited (Easyaccess)

Easyaccess, a Wholly Owned Subsidiary and the Non-Banking Finance Company (NBFC) arm of your Company, is India's first NBFC to cater to the IT distribution industry's channel finance needs. It provides extended finance to the channel partners for them to not only carry on their trade, but also to grow their business while at the same time ensuring better margins for your Company. Over the years, Easyaccess channel financing to the IT eco-system has gained traction bringing considerable financial discipline amongst the channel partners.

Easyaccess, since the commencement of its lending operations in 2008, has been operating in the B2B segment starting with factoring of receivables including portfolio factoring of your Company's receivable, and extending short term loans to channel partners beyond trade credit period. In order to diversify the loan book and reduce dependence on the IT sector, Easyaccess has been extending short term loans, event driven finance to corporate trade in the non-IT sector. Easyaccess offers short term loan facility with an operating cycle of up to one year.

The average asset book declined during the financial year ended March 31, 2013 primarily on account of reduction in factoring business. The factoring segment was subject to regulatory and legislative changes as per the Factoring Regulation Act 2011 followed by the Reserve Bank of India's guidelines for factoring businesses carried out by non-banking financial companies (NBFCs). The RBI guidelines require that, for doing factoring business, an NBFC has to be registered as 'NBFC-Factor' with RBI and at least 75% of the total assets should be factoring assets and at least 75% of its total income should be from the factoring business. Easyaccess has taken the view that attempts would be made to increase factoring business in respect of your Company's receivables or alternately other options would be explored to undertake captive factoring business by July 2014. Besides, during the year, Easyaccess had to align its business model in line with changed regulatory guidelines.

The current macroeconomic environment continues to be challenging due to general slowdown in the Indian economy with increasing stress in the banking system. Easyaccess adopted a cautious approach in building loan assets with emphasis on obtaining adequate collateral while financing non-IT customers. Accordingly, Easyaccess deferred entry into new geography during FY 12-13.

In a way, after posting consistent growth in gross income and profit during the first four years, the financial year ended March 31, 2013 was a transformational year.

Cadensworth (India) Limited (Cadensworth)

Cadensworth completed its first financial year in Value Added Distribution business. Cadensworth made significant investments in the areas of Marketing, Lead Generation and CTS (Consulting Training Support) during the year. These investments should help Cadensworth to move from Value Added Distribution to Solution Based Distribution in the years to come. Many reputed brands in the technology areas like LAN, WLAN, WAN, Data Centre, Collaboration, Security, Virtualization and Cloud have expressed interest to work with Cadensworth.

Relationship with new vendors will give Cadensworth opportunities to explore services revenue through post sales support, RMA handling and reverse logistics.

The existing Support Services business got further strengthened with the addition of new clients and new support locations by Flash Global Logistics. 3PL and RMA support for partners like Plantronics and Kodak looks promising with increase in business volumes. While the LCD panel repair volumes are on the rise with the expiry of warranty for products, the concept of replacement of units vis-à-vis repairs is a point to ponder. Cadensworth is also working with various Tablet Vendors for RMA support as it offers significant volumes as we move forward.

Nook Micro Distribution Limited (Nook Micro)

Nook Micro is focused on catering to the last mile of distribution with Regional Distribution as its key thrust area.

The global business economic slowdown saw a decline in sale of IT products and components sales. A gradual recovery of business during the second half of the year increased sales and helped Nook Micro's top line growth. Nook Micro also shifted its focus from the component market oriented distribution to the PC (Personal Computer) market.

Nook Micro has adopted various strategies to penetrate into tier II and III towns and has got on board about 1500 channel partners. Nook Micro's strengths lie in its large base of channel partners and widespread coverage. Keeping this in mind, many PC vendors tied up with Nook Micro to consolidate their regional distribution with a single distributor.

During the year, Nook Micro commenced distribution of consumer products in southern states. By leveraging the micro-distribution model and existing infrastructure, it was able to quickly capture the markets in the Southern states and achieve revenue growth. A strategic tie-up with 'Panasonic' for distribution in the states of Tamil Nadu and Andhra Pradesh helped it get additional territories from the existing brands.

Nook Micro is continually taking steps to maintain overall growth rate by adding key vendors to its portfolio and intensifying its focus so as to address additional channels in the ensuing years.

To strengthen the financial position of Nook Micro, your Company has made an additional investment of Rupees Ten Crore in equity capital during the year.

ProConnect Supply Chain Solutions Limited (ProConnect)

ProConnect, which has commenced its operations with effect from 1st October 2012, focuses on servicing the supply chain needs of your Company and external clients.

ProConnect offers the entire gamut of Logistics services starting from import, warehousing and stock movement across geographies, picking to packing, order processing and delivery anywhere within its operating footprint. It offers services like Third Party Logistics, Reverse Logistics, In-Plant Logistics Management, Project Management and Supply Chain Consulting.

In the financial year under review, very prestigious clients like Reliance Communications, Lemon Mobile, Idea Cellular, ITW Signode through ASC, Henkel, Kansai Nerolac, Brother International, BenQ, Dalmia Continental & Sigma-Aldrich through Panalpina, to name a few, were added. This gives leverage to service verticals like Paints, Pharma etc in addition to the verticals already being served. For many clients, the services are on a pan-India basis utilizing more than 70 warehouses.

Service levels are achieved with the effective deployment of your Company's Warehouse Management Software which seamlessly integrates with clients' ERP to meet today's fast paced business.

Overseas Subsidiaries

You would be pleased to know that the overseas operations continued to demonstrate growth even under one of the most challenging years for the METACIS (Middle East, Turkey, Africa and Common of Independent States) regions. Continued geo-political tensions in the Middle East region along with strife, political uncertainty and social unrests in many countries have aggravated an already weak economic environment resulting in dampened demand.

In spite of this uncertain environment, your Company's overseas operations demonstrated resilience by growing both revenues and earnings by 17.7% and 27.7% respectively.

Redington Gulf FZE (RGF) continues to maintain its leadership position and was ranked the No 1 Distributor in the ME region by Channel Middle East for the 7th consecutive year. For the first time, it was also ranked No. 9 amongst the top 10 distributors in the EMEA region by Canalys Research, which is a significant achievement.

The PC product category had recorded a decline in the MEA region reflective of the global trend; however, your Company outperformed the market and demonstrated a growth in PC sales in FY13.

As you are aware, the PC product category is at crossroads with the "tablet invasion". While this presents an opportunity to participate in this fast growing segment, your Company presently is in advance discussions with several tablet vendors which we hope will fructify in a couple of quarters.

The company's decision to commence distribution of Samsung mobile devices and tablets in Africa has proved to be a right one. The discontinuity of Nokia mobile phones during last year had a negative impact on your Company's sales though Samsung contributed towards making this up to a large extent. Your Company is pleased to help Samsung significantly increase their mobile phone market share particularly in West Africa.

Your Company also took a strategic decision to reposition its support services business as an independent service provider. Towards this endeavor, the rebranding of Redington services as Ensure Services was initiated during the year and registration completed in 3 key markets of UAE, Saudi Arabia and South Africa. Ensure Services is also being registered as a Trademark in all the markets in which your Company operates.

Your Company continued its strategy of growth through market expansion by making a foray into the CIS region (the last untapped region in METACIS) through commencement of business in Kazakhstan.

RGF's leadership in the Technology (Volume) distribution business was demonstrated by being voted as:

- "Retail Distributor of the year – ME" by DISTREE ME Retail Academy Awards
- "Specialist Retail Distributor of the year – ME" by DISTREE ME Retail Academy Awards
- "Middle East & North Africa Distributor of the year" by EMEA Channel Academy Awards

RGF continued to strengthen its Value Added Distribution business by making further investments in this division as well as expanding its product offering by adding over 8 brands. As a recognition of its growing prominence in this space, RGF also awarded the "Best Value Added Distributor Award" (Network Middle East Awards)

Your Company's operations in METACIS regions were restructured such that all entities and operations (including Arena) were brought under RGF, which in turn is wholly owned by Redington International Mauritius Ltd (RIML). With this structural change in place, Redington International (Holdings) Ltd., Cayman Islands would be merged with RIML.

Employee Stock Option Plan 2008

The details of the options granted and options in force as required to be disclosed under Clause 12 of the Securities and Exchange Board of India (Employee Stock Option Scheme & Employee Stock Purchase Scheme) Guidelines, 1999 are set out in Annexure "A" of this Report.

Additional Information relating to Conservation of Energy, Technology Absorption and Expenditure in R & D

The operations of your Company involve low energy consumption. Adequate measures have, however, been taken to conserve energy. Your Company continues to use the latest technologies for improving the quality of the services it offers. Since your Company is not involved in manufacturing activities it did not incur any expenditure on Research and Development.

Directors

Mr. V.S. Hariharan and Mr. Keith WF Bradley were co-opted on the Board as additional directors on 31st July 2012 and 1st April 2013 respectively. Your Company has received notices from the members, under Section 257 of the Companies Act, 1956, proposing their appointment as Directors of the Company, along with the requisite deposit. Resolutions for their appointment as Directors of the Company are included in the notice of the ensuing Annual General Meeting.

During the end of the year under review, Mr. William P. Adamopoulos, Independent Director stepped down from the Board with effect from 31st March 2013, after due consideration and review of his time commitments for the Financial Year 2013-14.

The Board places its gratitude for the valuable service provided by Mr. Adamopoulos during his tenure as director on the Board of the Company.

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of your Company, Mr. N. Srinivasan and Mr. Tu, Shu-Chyuan, Directors, would retire by rotation at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-appointment.

The Board of Directors has, at their meeting held on 22nd May 2013, elevated Mr. Raj Shankar, Deputy Managing Director as the Joint Managing Director of the Company. Mr. Raj Shankar has been with the company for over 20 years in different geographies. He has built the overseas business to be a formidable force in the Middle East and Africa. He was responsible for our acquisition of Arena in Turkey. With his tremendous enthusiasm, energy and experience he will, in the coming years steer the company to greater heights.

The tenure of appointment of Mr. M. Raghunandan as Whole-Time Director came to an end on 28th February 2013. The Board of Directors at their meeting held on 31st January, 2013 have approved the re-appointment of Mr. Raghunandan as Whole-Time Director for a further period of two years with effect from 1st March, 2013 subject to the approval of shareholders in the ensuing Annual General Meeting.

Directors' Responsibility Statement

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors confirm:

i. that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures, if any;

ii. that appropriate accounting policies have been selected and applied consistently, and that the judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at March 31, 2013 and of the profit for the said year;

iii. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;

iv. that the annual accounts have been prepared on a going concern basis.

Credit Rating

CRISIL had revised down its rating on the long-term bank facilities of your Company to 'CRISIL A+/Stable' (read as CRISIL A plus-Stable) from 'CRISIL AA-/Negative'(CRISIL Double A minus – Negative). However, the rating on the short-term debt and bank loan facilities had been reaffirmed at 'CRISIL A1+' (read as CRISIL A one plus).

ICRA reaffirmed its rating on the short term debt program/Commercial Paper, Non-fund based facilities and short term fund based facilities at 'ICRA A1+' (read as ICRA A one plus). It has also reaffirmed its ratings for the Long term fund based facilities as 'ICRA AA-' (read as ICRA Double A minus) and revised the rating outlook to 'stable' from 'negative'.

Particulars of Employees

For the financial year under review none of the employees fall under the revised ceiling limits prescribed under section 217(2A) of the Companies Act, 1956.

Auditors

The Statutory Auditors of your Company, M/s Deloitte Haskins & Sells, Chartered Accountants retire at the ensuing Annual General Meeting and have confirmed their eligibility under Section 224(1B) of the Companies Act 1956 and willingness to accept office, if re-appointed. The resolution for their re-appointment is included in the notice for Annual General Meeting sent herewith.

Foreign Exchange

Your Company's earnings / outgo in foreign currencies are outlined in the notes to the Annual Accounts.

Corporate Governance

Pursuant to Clause 49 of the Listing Agreement, a report on Corporate Governance and Management Discussions & Analysis are attached to this Annual Report.

Acknowledgment

Your directors would like to place on record their grateful appreciation for the cooperation received from the Customers, Vendors, Banks, Financial Institutions, Promoters and the Investing Public.

Your Directors take this opportunity to appreciate the wholehearted dedication and commitment of the employees of the Company and its subsidiaries who have contributed to the continued success of your Company.

On behalf of the Board of Directors

Place : Singapore
Date : May 22, 2013

J. Ramachandran
Chairman

Annexure A

A. Disclosure as required under SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999

	Particulars	ESOP Scheme
1	Number of options granted	2,821,328 (includes 485,355 lapsed options granted subsequently)
2	The Pricing Formula	Market price or such price as decided by the Board
3	Number of options vested	2,218,158
4	Number of options exercised	1,964,768
5	Number of options vested and exercisable	253,390
6	Total number of shares arising as a result of exercise of options	9,823,840
7	Number of options lapsed	523,764
8	Variation in the terms of options	No variations made in the current year
9	Money realised by exercise of options during FY2012-13 (₹)	15,419,000
10	Total number of options in force	332,796

B. Employee-wise details of options granted to

	Particulars	No. of options granted
1.	Senior Management Personnel	No options were granted during the Financial year 2012-13
2.	Employees who were granted, during any one year, options amounting to 5% or more of the options granted during the year	NIL
3.	Identified employees who were granted option, during any one year, equal or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	NIL

C. Diluted Earnings Per Share pursuant to issue of shares on exercise of options calculated in accordance with Accounting Standard (AS) 20 – ₹ 4.29

D. The impact on the profits and EPS of the fair value method is given in the table below:

₹ In Lakhs

Profit as reported	17,137.36
Add - Intrinsic Value Cost	0.00
Less - Fair Value Cost	109.45
Profit as adjusted	17,027.91
Earnings per share (Basic) as reported	₹ 4.29
Earnings per share (Basic) adjusted	₹ 4.27
Earnings per share (Diluted) as reported	₹ 4.29
Earnings per share (Diluted) adjusted	₹ 4.26

E. Weighted average exercise price of Options whose

(a)	Exercise price equals market price	The Company has not granted options during the financial year 2012-13
(b)	Exercise price is greater than market price	
(c)	Exercise price is less than market price	

Weighted average fair value of options whose

(a)	Exercise price equals market price	The Company has not granted options during the financial year 2012-13
(b)	Exercise price is greater than market price	
(c)	Exercise price is less than market price	

F. Method and Assumptions used to estimate the fair value of options granted during the year:

The Company has not granted options during the financial year 2012-13.

Compliance Certificate in respect of ESOP Scheme

We have examined the books of account and other records maintained by **Redington (India) Limited** ("the Company") for the year ended March 31, 2013 and on the basis of such examination, information/explanations and representations given to us, we confirm that the Company's Employee Stock Option Scheme 2008 ("the Scheme") has been implemented in accordance with the "Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999" and in accordance with the Resolution passed in the Extra-ordinary General Meeting of the Company held on February 27, 2008.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm Registration No. 008072S)

B Ramaratnam
Partner
(Membership No. 21209)

Place: Chennai
Date: May 22, 2013

report on corporate governance

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance over the years lays increasing emphasis on fairness, transparency and integrity of the management, thereby inspiring and strengthening investor confidence and their commitment to the Company. At Redington, corporate governance has transformed into corporate integrity and accountability. The Company, through its Board and Committees, endeavors to strike and deliver the highest governing standards to meet the aspirations of every stakeholder. It is committed to the principles of high levels of ethics and integrity in all its business dealings that avoid conflicts of interest. Redington takes care to formulate policies that are founded on ethical values safeguarded with adequate controls to meet business objectives while maintaining a high degree of transparency through regular and complete disclosures.

2. BOARD OF DIRECTORS

a) Composition:

Solid principles of corporate governance is key to maintaining the trust of investors. The Board of Directors of the Company has adopted these corporate governance practices to promote the effective functioning of the Board, its committees and the Company. The Company has built an effective Board by bringing together the right combination of individuals with diversified skill and experience and by promoting the right dynamic among these individuals. The Company values and enables open, constructive and purposeful dialogue amongst the Board of Directors, particularly in relation to compliance, governance and strategy. The Board has an optimum combination of Executive and Non-Executive Directors, and is in conformity with Clause 49 of the Listing Agreement entered into with the stock exchanges in which the Company's Equity Shares are listed. The composition of Board of Directors as on March 31, 2013 is given below in **Table 1**.

b) Board Meetings:

Meetings of Board of Directors are organised at regular intervals to review the business operations, corporate governance and financial results of the Company. Dates of the Board Meetings and its committee meetings are decided well in advance of the ensuing financial year and communicated to the Board of Directors. These dates are also published in the Annual Report. As the directors of the Company are spread across various geographies, the Company has installed the Video conferencing system to facilitate participation of directors.

The Agenda is circulated well in advance to the Board members. The items in the Agenda are backed by comprehensive background information to enable the Board to take appropriate decisions. The information required under Annexure IA of Clause 49 is made available to the Board. The Managing Director at the Board Meetings keeps the Board apprised of the overall performance of the Company and also of major events/items. Presentations are made on the business performance and financial highlights of the Company. The Management invites key speakers from leading firms to apprise the Board on the new regulatory updates.

During the Financial Year under review, the Board of Directors of the Company met four times on May 25, 2012, July 31, 2012, October 29, 2012 and January 31, 2013. The maximum interval between any two Board meetings was well within the maximum gap of four months.

c) Attendance and other Directorships:

The details of attendance of the Directors at the board meeting during the year and at the last Annual General Meeting held on July 31, 2012 along with the number of other Directorships and Committee Memberships/Chairmanship as on March 31, 2013 are depicted in **Table 1 and 2**.

d) Committees of Board of Directors:

Currently there are six Board Committees viz., Audit Committee, Shareholders'/Investors' Grievance Committee, Nomination and Remuneration Committee, Share Transfer Committee, ESOP Compensation Committee and ESOP Share Allotment Committee.

The scope and terms of reference of these committees are defined by the Board. The recommendations of the committees are submitted to the Board for its consideration. The Board of Directors shall take on record and note the minutes of the meetings of previous committees.

Table 1: Composition of the Board and Attendance of the Directors at the Board meetings held during Financial Year 2012-13 and last Annual General Meeting

Name	Category	No. of board meetings during Financial Year 2012-13		Whether Attended last AGM
		Held	Attended	
Prof. J. Ramachandran	Non-Executive Chairman, Independent Director	4	4	Yes
Mr. R. Jayachandran	Non-Executive Director	4	4	Yes
Mr. Tu, Shu-Chyuan	Non-Executive Director	4	4	No
Mr. Lin Tai-Yang	Non-Executive Director	4	4	No
Mr. Nainesh Jaisingh	Non-Executive Director	4	2	No
Mr. Mukul Nag	Alternate Director to Mr. Nainesh Jaisingh	4	2	No
Mr. N. Srinivasan	Independent Director	4	4	Yes
Mr. William Adamopoulos@	Independent Director	4	3	No
Mr. V.S. Hariharan**	Independent Director	4	3	No
Mr. R. Srinivasan	Managing Director	4	4	Yes
Mr. Raj Shankar	Deputy Managing Director	4	4	Yes
Mr. M. Raghunandan	Whole-Time Director	4	4	Yes

@ Resigned with effect from March 31, 2013.
** Appointed as Additional Director with effect from July 31, 2012.

Table 2: Details of the Directorship of the Members of Board in the Board of Directors of other Indian Public Companies and Membership / Chairmanship in the Committees of other Indian Public Companies

Name	Category	* Directorship in other public companies	Committees of other Indian Public companies @	
			Membership	Chairmanship
Prof. J. Ramachandran	Non-Executive Chairman, Independent Director	5	3	1
Mr. R. Jayachandran	Non-Executive Director	1	Nil	Nil
Mr. Nainesh Jaisingh	Non-Executive Director	4	1	Nil
Mr. Mukul Nag	Alternate Director	1	Nil	Nil
Mr. N. Srinivasan	Independent Director	13	4	4
Mr. R. Srinivasan	Managing Director	2	1	Nil
Mr. Raj Shankar	Deputy Managing Director	1	1	Nil
Mr. M. Raghunandan	Whole-Time Director	3	1	Nil

* Private Companies, foreign bodies corporate and companies under Section 25 of the Companies Act, 1956 are excluded in computing the Directorships.

@ Only Audit Committee and Investors' and Shareholders' Grievance Committee are considered for the purpose of Committee positions as per listing agreement.

3. AUDIT COMMITTEE

The Audit Committee in today's scenario is regarded as the fulcrum of the Board of Directors. As mandated by the Listing Agreement, the Company has constituted the Audit Committee comprising two Non-Executive Independent Directors and one Executive Director. All the Members of the Committee are financially literate and the Chairman of the Committee is an eminent finance professional. The Audit Committee reviews the periodical financial results with the Management and recommends to the Board its approval. The Committee also provides assistance to the Board of Directors in the oversight of the financial reporting, Internal Controls, Internal Audit & Statutory Audit and performance of Compliance function.

The terms of reference of the Audit Committee, broadly are as under:

1. To review the periodical financial statement and results and recommend the same for the approval of the Board with its suggestions
2. To oversee the integrity of the Company's accounting and reporting practices and financial statements
3. To review the internal control environment and the risk assessment and management system implemented
4. To define the Internal Audit plan and review the reports on Internal Audits periodically
5. To review the related party transactions
6. To review major accounting entries involving estimates based on judgment exercised by the management
7. To review significant adjustments made in the financial statements arising out of audit findings
8. To review compliance with listing and other legal requirements relating to financial statements
9. To recommend to the Board of Directors on the appointment and remuneration of Internal Auditors and Statutory Auditors
10. To examine periodically the contingent liabilities and the adequacy of provisions made

In addition to the above, the terms of reference would be enlarged to comply with the requirements of SEBI regulations and the proposed Companies Bill, 2012.

The Committee met four times during the financial year under review on May 25, 2012, July 31, 2012, October 29, 2012 and January 31, 2013.

Table 3: Attendance record of Audit Committee

S.No	Name of the Director	Category	Position	No. of meetings	
				Held	Attended
1	Mr. N. Srinivasan	Independent Director	Chairman	4	4
2	Prof. J. Ramachandran	Independent Director	Member	4	4
3	Mr. Raj Shankar	Deputy Managing Director	Member	4	4

4. SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE

The Shareholders' / Investors' Grievance Committee comprises of Prof. J. Ramachandran, Independent Director, Mr. R. Srinivasan, Managing Director and Mr. M. Raghunandan, Whole-Time Director.

The scope of the Committee is broadly as follows:

- To overview the redressal of investors' complaints and requests such as transfer of shares / debentures, non-receipt of dividend, annual report, etc
- Monitoring the performance of the Registrar and Share Transfer Agent and ensuring proper controls
- Review movement in shareholdings and ownership structure
- Reviewing the amount lying in the unclaimed dividend account

The Committee met four times during the financial year under review on May 25, 2012, July 31, 2012, October 29, 2012 and January 31, 2013.

Table 4: Attendance record of Shareholders' / Investors' Grievance committee:

S. No	Name of the Director	Category	Position	No. of meetings	
				Held	Attended
1	Prof. J. Ramachandran	Independent Director	Chairman	4	4
2	Mr. R. Srinivasan	Managing Director	Member	4	4
3	Mr. M. Raghunandan	Whole-Time Director	Member	4	4

During the year, five complaints were received from the investors which were all resolved and there were no complaints from the investors pending as at March 31, 2013.

The Company Secretary is designated as the Compliance Officer of the Company.

5. NOMINATION AND REMUNERATION COMMITTEE

To evaluate the skill, knowledge, experience and effectiveness of individual directors as well as the Board as a whole, the Board has constituted the Remuneration Committee. During the Board meeting held on May 25, 2012, the Board has reconstituted the Committee to align with the Non Mandatory requirements of Clause 49 of the Listing Agreement and also rechristened it as the Nomination and Remuneration Committee. The Board also revised the scope of reference to the Committee as under:

- Searching, evaluating, and recommending appropriate Independent Directors and Non-Executive Directors to the Board
- Determining processes for evaluating the skill, knowledge, experience and effectiveness of individual Directors as well as the Board as a whole
- Assisting the Board and each Committee of the Board in its annual performance self-evaluations, including establishing criteria to be used in connection with such evaluations
- Reviewing the remuneration of the Executive Directors
- Recommending appointment and remuneration of Executive Directors
- Recommending the commission payable to the Non-Executive Directors
- Reviewing the remuneration of the Senior Management team

The Committee met two times during the financial year under review on May 25, 2012 and January 31, 2013.

The Committee presently comprises three Non-Executive Directors Mr. N. Srinivasan, Prof J. Ramachandran, Mr. R. Jayachandran.

Table 5: Attendance record of Nomination and Remuneration Committee

S.No	Name of the Director	Category	Position	No. of meetings	
				Held	Attended
1	Mr. N. Srinivasan	Independent Director	Chairman	2	2
2	Prof J. Ramachandran*	Independent Director	Member	2	1
3	Mr. R. Jayachandran*	Non-Executive Director	Member	2	-
4	Mr. R. Srinivasan#	Managing Director	Member	2	1
5	Mr. M. Raghunandan#	Whole-Time Director	Member	2	1

* Appointed as member of the Committee w.e.f. May 25, 2012
\# Ceased to be a member of the Committee w.e.f. May 25, 2012

Table 6: Details of remuneration paid / payable to Directors for the financial year ended 31st March 2013

Name of Director	Salary & Perquisites (₹ / Lacs)	Commission (₹ / Lacs)#	Performance Linked Bonus (₹ / Lacs)*	Sitting Fees (₹ / Lacs)#
Prof J. Ramachandran	-	13.40	-	2.35
Mr. N. Srinivasan	-	13.20	-	1.80
Mr. William P. Adamopoulos	-	13.15	-	0.45
Mr. V. S. Hariharan		13.30		0.45
Mr. M. Raghunandan	24.00	-	16.00	-
Total	**24.00**	**53.05**	**16.00**	**5.05**

* Provisions Made
\# Service Tax is not included

Table 7: Shareholding of Directors in the Company as on 31st March 2013

S. No	Name of the Director	Category	No. of Shares	% to Equity Shares	Options granted (Nos)
1	Prof. J. Ramachandran	Independent Director	1,25,000	0.0313	25,000
2	Mr. N. Srinivasan	Independent Director	93,750	0.0234	25,000
3	Mr. R. Srinivasan	Managing Director	3,25,000	0.0814	1,00,000
4	Mr. Raj Shankar	Deputy Managing Director	5,94,946	0.1490	1,00,000
5	Mr. M. Raghunandan	Whole-Time Director	75	-	76,143

6. CODE OF BUSINESS CONDUCT AND ETHICS FOR DIRECTORS AND SENIOR MANAGEMENT

The Company has laid down a code of conduct for all Board Members and Senior Management of the Company with an aim to ensure effective and best business practices and strict adherence to the legal requirements as well. The code of conduct has been posted on the Company's website www.redingtonindia.com. The Board Members and the Senior Management personnel affirmed compliance with the code on an annual basis. A declaration to this effect has been given by the Managing Director as below:

I hereby confirm that the Company has obtained affirmation from all the members of the Board and Senior Management that they have complied with the Code of Business Conduct and Ethics for Directors and Senior Management in respect of the financial year 2012-13.

R. Srinivasan

Managing Director

7. GENERAL BODY MEETINGS

I. Location and time of last three Annual General Meetings

Year	Location	Date	Day	Time
2011-2012	Narada Gana Sabha, Mini Hall, No.314, T.T.K Road, Chennai -600 018.	July 31, 2012	Tuesday	10.00 A.M.
2010-2011	Narada Gana Sabha, Mini Hall, No.314, T.T.K Road, Chennai -600 018.	July 22, 2011	Friday	10.00 A.M.
2009-2010	Narada Gana Sabha, Mini Hall, No.314, T.T.K Road, Chennai -600 018.	July 20, 2010	Tuesday	10.00 A.M.

II. Details of Postal Ballot

During the year under review, an ordinary resolution and special resolution were passed through postal ballot for Transfer of Company's Supply Chain business to a Wholly Owned Subsidiary and Amendment to the Object Clause of Memorandum of Association respectively. Mr. A.S. Varadharajan, Practising Chartered Accountant was appointed as Scrutiniser for the Postal Ballot. The procedure as given in The Companies (Passing of the resolution by Postal Ballot) Rules, 2001 was followed by the Company. The result of the Postal Ballot is as follows:

Description	Total No. of Ballot Forms	Total No. of Shares	For		Against		Invalid	
			No. of Forms	No. of Shares	No. of Forms	No. of Shares	No. of Forms	No. of Shares
Item No. 1: Transfer of Company's Supply Chain business to a wholly owned subsidiary.	410	282,514,547	409	282,438,222	NIL	NIL	1	76,325
Item No. 2: Amendment to the Object Clause of Memorandum of Association.	410	282,514,547	409	282,438,222	NIL	NIL	1	76,325

The results of the Postal Ballot were published in the Business Standard (English) and Makkal Kural (Tamil) Newspapers and the same were posted on the Company's website (www.redingtonindia.com).

No extra-ordinary General Meetings were convened during the last financial year under review.

Table 8: Details of Special Resolutions passed in the last three Annual General Meeting

Year	Special resolutions passed
2011-12	Approval for payment of remuneration to the Directors of the Company other than the whole-time Directors, by way of Commission up to an aggregate limit of 1% of the net profits of the Company computed in accordance with the provision of Section 349/350 of the Companies Act, 1956 for each financial year and subject to such limits as may be determined from time to time by the Board of Directors, for a period of five years commencing from financial year ended March 31, 2012.
2010-11	NIL
2009-10	Approval for extending the estimated time for further two years for utilization of net proceeds as contained in 'the object of the issue' clause of prospectus dated January 31, 2007, for setting up of Automated Distribution Centres (ADCs) at Mumbai, New Delhi, and Kolkata including the revised size and capacity.
	Approval to make any loan to any other body corporate, give any guarantee or provide any security in connection with a loan from time to time and / or to invest in securities of any other body corporate, any sum or sums of money(ies) which together with any loan made / any guarantee given or any security provided by the Company may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say reserves not set apart for any specific purpose, provided that the total amount of such loan made / any guarantee given or security provided, or investment made by the Company shall not at any time exceed ₹1000 Crore (Rupees One Thousand Crore only).

8. SUBSIDIARY COMPANIES

i. Easyaccess Financial Services Limited is the Company's Wholly Owned material non listed Indian Subsidiary Company as per clause 49 of the listing Agreement. The Company has nominated Prof. J. Ramachandran, Chairman of the Board as director on the Board of the Subsidiary Company.

ii. The Company also has three Wholly Owned unlisted non-material Indian subsidiary companies viz, Nook Micro Distribution Limited, Cadensworth (India) Limited and ProConnect Supply Chain Solutions Limited.

iii. The Board of Directors of the Company has regularly been apprised of the performance of the subsidiary companies. The minutes of the Board meetings and the details of important events of unlisted subsidiary companies are periodically placed before the Board. The Management invites key managers of the subsidiaries to provide updates on their business operations.

9. DISCLOSURES

RELATED PARTY TRANSACTIONS

There were no material related party transactions during the Financial Year 2012-13 that are prejudicial to the interest of the Company.

RISK MANAGEMENT

The Board of Directors had been updated regularly about the risk management process and minimization procedures.

The Company also has adequate internal control systems and are frequently tested and reviewed by the Internal Auditors and the Audit Committee.

NON COMPLIANCE BY THE COMPANY, PENALTIES, STRICTURES

The Company has complied with the requirements of the Stock Exchange/ SEBI/ any Statutory Authority on all matters related to capital markets wherever applicable. There are no penalties or strictures imposed on the Company by Stock Exchange or SEBI or any Statutory Authorities relating to the above.

APPOINTMENT / RE-APPOINTMENT OF DIRECTORS

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

The Board of Directors of the Company appointed Mr. V. S. Hariharan and Mr. Keith WF Bradley as Additional Directors of the Company at their meeting held on July 31, 2012 and April 1, 2013 respectively. Notices have been received from the members of the Company proposing their appointment as the Directors liable to retire by rotation.

Mr. M. Raghunandan is being re-appointed as Whole-Time Director for a further period of two years effective from March 1, 2013 subject to the approval of the Shareholders at the ensuing Annual General Meeting.

The particulars of Directors seeking re-appointment / appointment at the forthcoming Annual General Meeting are provided in **Table 9**:

Table 9: Brief Resume of Directors seeking Re-appointment / appointment

Name of the Director	Mr. N. Srinivasan
Brief resume of the Director	Mr. N. Srinivasan is a commerce graduate and a Chartered Accountant since 1955. He was the senior partner of well-known auditing firms Fraser & Ross and Deloitte Haskins & Sells until 1997. Mr. Srinivasan has been closely associated with development of the profession of accounting and auditing in India as a Central Council Member of The Institute of Chartered Accountants of India. He was head of various prestigious bodies in India and abroad, like Deputy President of The Associated Chamber of Commerce & Industry of India, Director on the Board of The Institute of Internal Auditors Inc., Florida, USA. He holds Directorship in many public and listed companies in India.
Expertise in Specific Functional Area	Corporate Finance and Audit
Directorship in Indian Public Limited Companies other than Redington (India) Limited	1. India Cements Limited 2. India Cements Capital Limited 3. Tractors & Farm Equipment Limited 4. United Breweries (Holdings) Limited 5. GATI Limited 6. Essar Shipping Limited 7. McDowell Holdings Limited 8. UB Engineering Limited 9. Tafe Motors and Tractors Limited 10. The United Nilgiri Tea Estates Company Limited 11. Best & Crompton Engg. Limited 12. Redington (India) Investments Limited 13. Kartiken Logistics Limited
Membership of Committees in Indian Public Limited Companies other than Redington (India) Limited	
Audit Committee	1. Tractors & Farm Equipment Limited 2. United Breweries (Holdings) Limited 3. GATI Limited 4. Essar Shipping Limited 5. UB Engineering Limited 6. Tafe Motors and Tractors Limited 7. India Cements Capital Limited 8. The India Cements Limited
Shareholders'/ Investors' Grievance Committee	NIL
Private Limited Companies	1. SCM Microsystems (India) Private Limited 2. Paterson Consulting Group Limited
Alternate Directorship	1. Indair Carriers Private Limited 2. UT Worldwide (India) Private Limited
Managing Committee Member	1. The Associated Chamber of Commerce and Industry 2. Indo Australian Chamber of Commerce 3. The Madras Chamber of Commerce and Industry 4. The Employers' Federation of Southern India

Name of the Director	Mr. Tu, Shu-Chyuan
Brief resume of the Director	Mr. Tu, Shu-Chyuan, is an engineering graduate from the National Chiao Tung University, Taiwan, and has a Master's degree in Computer Engineering from San Jose State University, USA. He has overall 27 years of working experience in global IT industry. He joined Synnex in 1994 and held a series of management positions. He is currently the GM 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.
Expertise in Specific Functional Area	Business Strategy
Directorship in Indian Public Limited Companies other than Redington (India) Limited	NIL
Membership of Committees in Indian Public Limited Companies	NIL

Name of the Director	Mr. V. S. Hariharan
Brief resume of the Director	Mr. V. S. Hariharan is a graduate of IIT Madras with an MBA from Indian Institute of Management, Bangalore with specialisation in marketing. He has over 20 years of sales, marketing, operations and general management experience working within and outside India in the Information Technology Industry. Starting his career with Wipro in India, he relocated to Singapore and was associated with Hewlett-Packard for more than 15 years. In HP, Mr. Hariharan held a number of positions and was promoted as Vice President leading various new areas such as consumer business, sales and field operations in Asia Pacific, Graphic Solutions Business APJ and Mono Laser World Wide. He is the Co-founder and CEO of Third Wave Power Pte Ltd—a global business based on Solar Portable Solutions based out of Singapore.
Expertise in Specific Functional Area	Business Strategy
Directorship in Indian Public Limited Companies other than Redington (India) Limited	NIL
Membership of Committees in Indian Public Limited Companies	NIL

Name of the Director	Mr. Keith WF Bradley
Brief resume of the Director	Mr. Keith WF Bradley is a Chartered Accountant from the United Kingdom with Masters of Accounting from the Queen's University of Belfast. He served as the Senior Executive Vice President and President of Ingram Micro North America and played a vital role in developing strategies for the region. Mr. Bradley was responsible for overall performance of Ingram Micro's US and Canadian operations. Under his leadership Ingram Micro North America had introduced several new divisions and services. Mr. Bradley started his career with M/s PricewaterhouseCoopers, UK and moved to M/s Walt Disney Consumer products before joining Ingram Micro.
Expertise in Specific Functional Area	Business Strategy
Directorship in Indian Public Limited Companies other than Redington (India) Limited	NIL
Membership of Committees in Indian Public Limited Companies	NIL

Name of the Director	Mr. M. Raghunandan
Brief resume of the Director	Mr. M. Raghunandan is a graduate in engineering from the Indian Institute of Technology, Madras, and also has a Masters' degree in business management from the Indian Institute of Management, Ahmedabad. He has been with the Company since January 1998, first as Country Support Manager and currently as a Whole-Time Director. Mr. Raghunandan has professional experience of 35 years in areas such as manufacturing, technology transfer and projects. He has been associated with organisations like ITC Limited and HCL Infosystems Limited. Prior to joining the Company, he was the President of Indian Food Fermentations Limited.
Expertise in Specific Functional Area	Professional Management
Directorship in Indian Public Limited Companies other than Redington (India) Limited	1. Cadensworth (India) Limited 2. Nook Micro Distribution Limited 3. Currents Technology Retail (India) Limited
Membership of Committees in Indian Public Limited Companies	1. Nook Micro Distribution Limited – Audit Committee

10. COMPLIANCE WITH THE NON-MANDATORY REQUIREMENTS

The Company has complied with all the mandatory requirements mentioned in clause 49 of the Listing Agreement. Apart from this the Company has also adopted the following non-mandatory requirements in pursuit of its adoption of best governance practices.

Remuneration Committee

The Company has set up a Nomination and Remuneration Committee, detailed particulars of which are furnished in para 5 above.

Shareholders' rights

The Company communicates the financial performance and highlights to the investors regularly through email, telephone and Investor conferences and roadshows. The Company has enabled an option on its website www.redingtonindia.com to allow present and prospective investors to subscribe to e-alerts on all the communications by the Company and the financial results announced by the Company.

Whistle Blower Policy

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behavior. The Company is committed to developing a culture where it is safe for all employees to raise concerns about any poor or unacceptable practice and any event of misconduct. The Company has formulated a policy to provide a framework to promote responsible and secure whistle blowing. It protects employees who raise a concern about serious irregularities with the Company.

The Company will implement other non-mandatory requirements as and when required and / or deemed necessary by the Board.

11. MEANS OF COMMUNICATION:

The Company has established procedures to disseminate, in a planned manner, relevant information to our shareholders, analysts, employees and the society at large.

A. The quarterly, half yearly and annual results are published in **Business Standard** and **Makkal Kural** which are national and local dailies
B. The quarterly, half yearly and annual results and shareholding pattern are also posted on the website of the Company **(www.redingtonindia.com)**
C. The Company also intimates the Stock Exchanges all price sensitive information and such other matters which in its opinion are Material and of relevance to the investors / shareholders
D. The Management Discussion and Analysis on financial and operational performance of the Company is provided in the Annual Report

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

12. GENERAL SHAREHOLDERS' INFORMATION:

I. Annual General Meeting:

Date : August 2, 2013
Time : 10.30 A.M.
Venue : Narada Gana Sabha, Mini Hall, No. 314, T.T.K. Road, Alwarpet, Chennai – 600 018.

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

(Tentative Calendar for the Financial Year 2013-14)

Adoption of results for & considering other items for the I Quarter : August 2, 2013

Adoption of results for & considering other items for the II Quarter : November 7, 2013

Adoption of results for & considering other items for the III Quarter : February 3, 2014

Adoption of results for & considering other items for the IV Quarter : Before May 30, 2014

III. Date of Book Closure : July 26, 2013 to August 2, 2013

IV. Dividend payment date : August 30, 2013

V. Listing on Stock Exchanges:

Name	Address	Scrip / Stock code
National Stock Exchange of India Ltd.	Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051.	REDINGTON
BSE Ltd.	Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001.	532805

Listing fees have been paid to National Stock Exchange of India Limited and BSE Ltd.

VI. Depositories (Stock Code) : INE891D01026

VII. Registrar and Share Transfer Agent : M/s. Cameo Corporate Services Limited,

Subramanian Building,
No. 1, Club House Road,
Chennai – 600 002.
Phone No. : +91 44 2846 0390 (5 lines)
Fax No. : +91 44 2846 0129
Email : investor@cameoindia.com
Website : www.cameoindia.com

VIII. Share Transfer System:

Share Transfer Committee:

A Share Transfer Committee has been constituted with three directors with the Chairman being an Independent Director.

S.No.	Name of the Director	Category	Position
1	Mr. N. Srinivasan	Independent Director	Chairman
2	Mr. R. Srinivasan	Managing Director	Member
3	Mr. M. Raghunandan	Whole-Time Director	Member

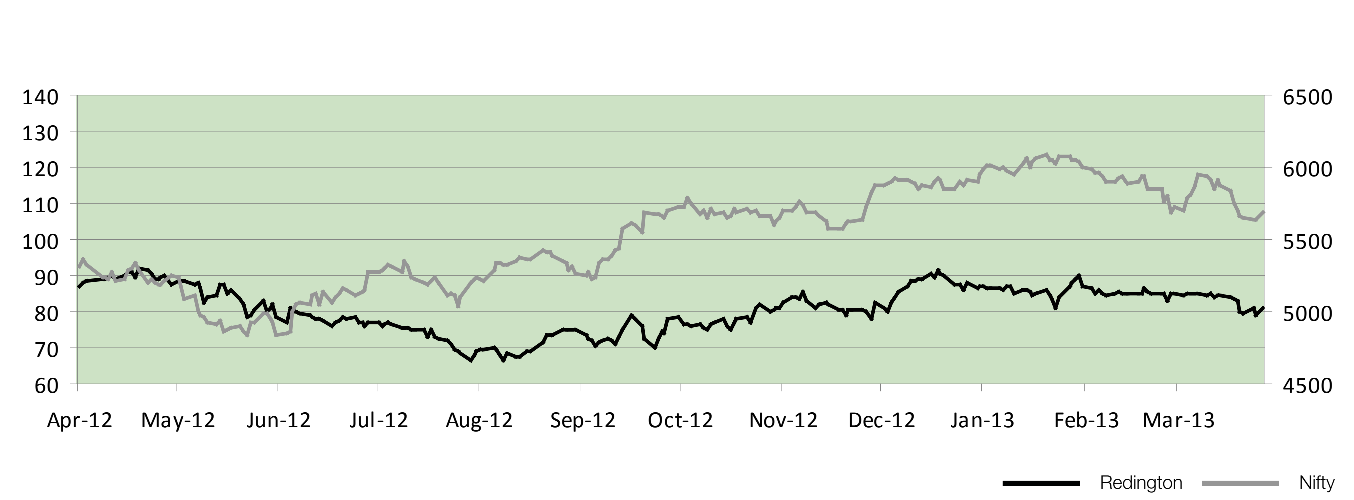
The Committee registers the shares received for transfers in physical form provided the documents are complete and valid in all respects within a period of 15 days from the date of receipt of such documents. The committee meets at regular intervals to issue duplicate share certificates and deal with the transmission of shares and other related complaints.

IX. Reconciliation of Share Capital Audit:

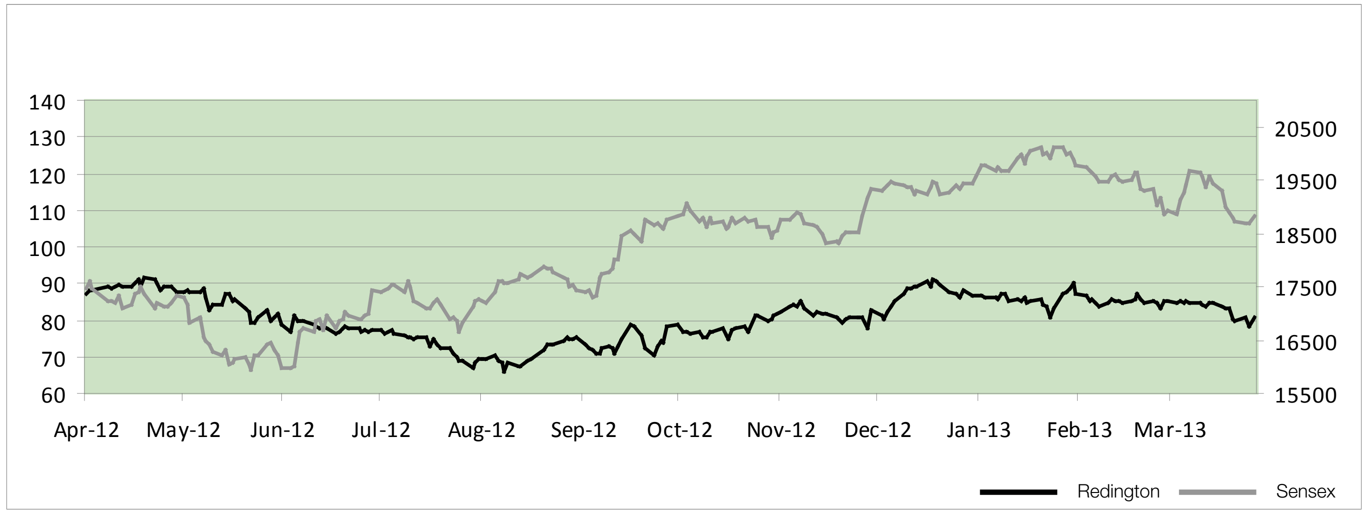
Audit of Share Capital for reconciling total number of shares held in NSDL and CDSL and in the physical form with the issued / paid-up share capital for each of the quarters in the financial year ended March 31, 2013 was carried out by a Practising Company Secretary and Reports on the same was placed before the Board. As per the reports issued there were no variations / exceptions found in the total number of shares of the Company issued and held both in physical and electronic forms.

X. MARKET PRICE DATA:

S.No.	Month	NSE			BSE		
		High	Low	Closing	High	Low	Closing
1	Apr-12	91.90	86.95	87.75	91.70	87.20	87.60
2	May-12	88.60	78.75	82.20	88.50	79.15	81.75
3	Jun-12	81.05	76.00	76.85	81.00	76.10	77.10
4	Jul–12	77.05	66.70	68.10	77.20	66.80	68.20
5	Aug-12	75.15	66.40	75.10	75.40	66.00	75.40
6	Sep-12	78.90	69.95	78.20	78.70	70.50	78.35
7	Oct–12	81.80	74.85	81.05	81.25	74.85	81.00
8	Nov-12	85.30	77.85	82.60	85.05	77.85	82.80
9	Dec-12	91.35	80.00	86.65	91.15	80.05	86.85
10	Jan-13	90.05	81.25	90.05	90.25	80.95	90.25
11	Feb-13	87.05	83.20	85.00	87.10	83.30	85.30
12	Mar-13	84.95	78.80	80.90	85.05	78.25	80.95



Nifty V Redington



Sensex V Redington

XI. DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2013.

Share Holding	No. of Shareholders	% of Total Shareholders	Amount of Share Capital (₹)	% of Total Share Capital
2-5000	14,338	95.99	8,320,278	1.04
5001-10000	232	1.55	1,743,740	0.22
10001-20000	111	0.74	1,589,474	0.20
20001-30000	40	0.27	974,780	0.12
30001-40000	31	0.21	1,113,228	0.14
40001-50000	23	0.15	1,067,108	0.13
50001-100000	43	0.29	3,064,036	0.39
100001 & Above	119	0.80	780,432,496	97.76
Total	**14,937**	**100.00**	**798,305,140**	**100.00**

XII. STATEMENT SHOWING SHAREHOLDING PATTERN AS ON MARCH 31, 2013.

Category	No. of holders	No. of shares	% of shareholding
Promoter Holding			
Foreign bodies corporate	1	84,027,302	21.05
Total of Promoter Holding	**1**	**84,027,302**	**21.05**
Non promoter holding			
Mutual funds/ UTI	31	33,775,751	8.46
Foreign Institutional Investors	103	147,406,283	36.93
Non Institutions			
Bodies Corporate	372	21,756,622	5.45
Indian Public	14,076	7,665,820	1.92
NRIs/OCBs/ Foreign Nationals	323	104,460,569	26.17
Others	31	60,223	0.02
Total of Non promoter Holding	**14,936**	**315,125,268**	**78.95**
Grand Total	**14,937**	**399,152,570**	**100.00**

XIII. DEMATERIALISATION OF SHARES AND LIQUIDITY

The shares of the Company are compulsorily traded in dematerialised form by all categories of investors. As on March 31, 2013, 76.35% shares of the Company are held in dematerialised form.

XIV. ECS MANDATE:

In order to enable us to serve our investors better, we request shareholders to update their bank accounts with their respective depository participants.

XV. CONVERTIBLE INSTRUMENTS

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

XVI. LOCATIONS OF BRANCHES:

Our Company has the following distribution offices, warehouses and services centres both in India and overseas.

Particulars*	India	Overseas
Sales Offices	56	24
Warehouses	72	29
Owned Service Centres	69	38
Partner Service Centres	270	6

* Includes branches of subsidiary companies.

XVII. ADDRESS FOR CORRESPONDENCE:

The shareholders may address their communication / suggestions / grievances / queries to the Registrar and Share Transfer Agents at their address mentioned in earlier para VII. or to:

Mr. M. Muthukumarasamy
Company Secretary
Redington (India) Limited,
Ground Floor, "Centre Point"
Plot No. 8 and 11 (SP), Thiru-Vi-Ka Industrial Estate,
Ekkaduthangal, Guindy, Chennai – 600 032
Tel: +91 44 4224 3353
Fax: +91 44 2225 3799
Email : investors@redington.co.in

The Company has a website namely www.redingtonindia.com. The website provides detailed information about the Company, its products and services, locations of its corporate office and various sales offices etc. The quarterly results, annual reports and shareholding patterns are updated on the website of the Company.

CERTIFICATE UNDER SUB CLAUSE V OF CLAUSE 49 OF LISTING AGREEMENT

We, R. Srinivasan, Managing Director and S.V. Krishnan, Chief Financial Officer of the Company hereby confirm and certify that

a. we have reviewed financial results for the year ended March 31, 2013 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 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 period which are fraudulent, illegal or violative of the Company's code of conduct.

c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d. We have indicated to the auditors and the Audit Committee

   i. that no significant changes in internal control over financial reporting during the period;

   ii. that changes in accounting policies during the period 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.

Place : Singapore
Date : May 22, 2013

R. Srinivasan
Managing Director

S.V. Krishnan
Chief Financial Officer

Auditors Certificate on Corporate Governance

To the Members of Redington (India) Limited

We have examined the compliance of conditions of Corporate Governance by **Redington (India) Limited** ("the Company") for the year ended March 31, 2013 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

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

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm Registration No: 008072S)

B. Ramaratnam
Partner
(Membership No. 21209)

Place : Chennai
Date : May 22, 2013

management discussion and analysis

Economic Outlook

Global

In an increasingly integrated world, where Geographic, Political, Social and Economic issues of one country have been seen to increasingly impact other nations in general, and its trading partners in particular, it is important to understand the role the global economy may have played in the performance of your company, which has operations across 24 countries.

The global economic outlook remains muted. While the American economy appears to have recovered on the back of better industrial output, reduced unemployment and improved consumer confidence, the Eurozone is struggling with major nations facing paralyzing sovereign debt and banking crises. Growth in China has slowed and this has had a significant impact on commodity prices. While the depressed commodity prices and stable oil prices have helped industries and economies minimize the impact of the slow down by controlling "supply side input costs", falling consumer demand has put a question mark on global economic recovery.

IMF has reported that the weakness of demand in developed nations has actually resulted in a reduction of between 1-2% in the growth statistics of developing countries, whose economies are intrinsically tied up with fulfilling the consumer demand of prosperous economies.

The world economy is however increasingly dependent on the consumption and demand of the Emerging economies, whose increasing affluent population will form the foundation for its future growth. For this to happen, the Emerging nations would have to invest in expanding domestic infrastructure and enhance their national productivity.

India

The Indian economy is reported to have grown by around 5% during FY 2012-13. The GDP growth and Industrial Output figures have been erratic between quarters of the past financial year and the Government has been forced to revise its projections continuously. While the Enterprise and the Commercial sectors have demonstrated a very conservative approach towards fresh capital outlay, consumer demand has tapered off on the back of persistent, all round negative economic sentiments. One of the biggest challenges faced by industries and businesses is the uncertain and non-transparent regulatory regime that has severely impacted normal decision making.

While the World Economic Outlook projects that Indian Economy will grow by 6.2% during FY 13-14, this still remains far lower than the 8-9% growth achieved in the earlier years. The Indian Government has professed its determination to bring the economy back to its high-growth trajectory by taking steps to boost investment and consumer confidence. However, the actual road-map would be defined by essential political compulsions. Any improvement is critically dependent on improving decision making, removing bottlenecks and implementing policies effectively and quickly. In a year when a couple of key State and General Elections are scheduled, it remains to be seen if the body polity would have the wherewithal to take any decisive steps towards actually improving investment and consumer sentiments.

Despite all the uncertainties and challenging regulatory regime, India remains one of the few attractive investment destinations worldwide. With huge infrastructure developmental requirements, a stable political regime is expected to promote investment friendly policies and the World Bank is of the view that India should gradually regain economic momentum and growth. Stable and predictable policies would also boost consumer confidence and consumer spending, which had driven the economic growth of the country in the past.

Industry Overview

Enterprise and Commercial sectors demand

Investment by the Information Technology and ITeS sectors would essentially be driven by the success of this industry in maintaining their growth story in the developed nations. While NASSCOM and a couple of the leading IT companies have maintained an aggressive growth projection, others have been far more conservative in their revenue and profit estimates for the new financial year. Investment by this sector in IT infrastructure would entirely depend on their business projections.

BFSI / Manufacturing: The country's overall economic outlook and sentiment would govern IT investments in these sectors. These sectors have seen minimal investments in new technologies in the recent past and there is a strong requirement of technology and product refresh. Actual capital spends would however depend entirely on the industry's overall confidence level. Liquidity and interest rate remain a major concern and a hindrance to aggressive capital investment. However, with falling wholesale and consumer inflation index, the RBI should be more inclined to easing capital availability and interest rate and this should be a definite boost to fresh investments in IT infrastructure.

Contents

Government: Both Central and State governments have huge investment requirements in various e-Governance projects which are essential if India has to continue its growth story. Most of these investment requirements have already been mapped out, but actual execution and expenditure would entirely depend on the willingness and confidence of the executive and administrative branches to take decisions. Government expenditure in infrastructure plays a far larger role in overall demand creation by creating an entire eco-system for capital investment.

Education: This sector remains a major driver for demand for "client" devices like laptops and tablets. Budget outlays by Central and various State governments towards providing free / subsidized laptops and tablets to school and college students are on the rise and most State governments have multi-year expenditure plans in this area. Growth of "smart classrooms" has resulted in demand for Projectors and Smart Boards and this is expected to accelerate in the coming years.

Virtualization and Cloud Computing

EMC Corporation and Zinnov Management Consulting puts the total size of the Indian cloud computing market at USD 4.5 billion by 2015 from the current size of USD 400 million which would be almost 12 percent of the projected IT market in the country by then. This market was only USD 110 million in 2010, suggesting exponential growth. Cloud computing presents a viable option for Small and Medium Businesses to reduce the complexity and costs within their IT environments. It is recognized not only as a business enabler, but also as a strategic tool that will redefine business objectives by converting high-value, one-time Capital Expenditure to Operating Expenditures directly in proportion to actual business requirements. However, providers of Software-as-a-Service (SaaS), Platform-as-a-Service (PaaS) and Infrastructure-as-a-Service (IaaS) solutions in India are still in the process of tailoring their offerings to the requirements of the Indian SMBs. As the adoption of Cloud services grows, the entire IT eco-system would have to evolve over the next 5 years to offer this as an essential business model in order to remain viable.

The Form-factor evolution

The explosion of information consumption and social media has accelerated the convergence between IT and Communication devices. The demand for Tablets and Smartphones is growing at an exponential rate and their proliferation is steadily impacting the demand for PCs and Laptops.

The Smartphone market is expected to grow from 29 million units in CY 13 to 171 million units in CY 17. Even more interesting is the evolution of the Tablet market in India. Total Tablet shipment crossed the 1 million mark for the first time during the October-December quarter of FY 2012-13 and is expected to double annually to 6 million units during the current fiscal.

PC penetration in the country continues to remain at one of the lowest levels in the emerging economies and has huge head-room for growth. Actual growth in penetration level will depend on building an economical, pan-India broadband infrastructure and developing applications and tools that would aid in information consumption and productivity improvement in the daily business requirement of the masses. However, whether this would result in growth of traditional PCs and laptops or of Tablets and Smartphones is something that the entire industry will be tracking very closely.

Most PC manufacturers have extensive plans of adding a range of Tablets to their product portfolio as they have realized that this is essential to their meeting consumer demands of tomorrow. A few of the manufacturers have elaborate plans to introduce their suite of Smartphones in an attempt to have a foot-hold across all form factors.

META Market

All the developing economies are growing increasingly dependent on the Information Communication and Technology Sector. Almost every nation in the META region has started implementing digitalization for sustainable development of their economies. Gartner has reported that the government sector in the Middle East and Africa will spend USD 17.7 billion on IT products and services in 2013, an increase of 2.3 percent over 2012 revenue of USD 17.3 billion. UAE, Qatar and Bahrain lead the Gulf Cooperation Council's (GCC) adoption of e-Government programs and will now focus efforts to electronically link up departments and offer a single interface point for citizens to connect with government agencies. The total Middle East (ME) IT spending is projected at USD 192.9 billion in 2013, a 5.5 percent increase from 2012.

Telecom markets in the Middle East and Africa present a combination of mature and developing environments. Operators in the Middle East and North Africa (MENA) are considering next-generation infrastructure investments. The affinity for third generation communication tools is more in this region. This is evident from the apparent fact of increasing adoption of technology by youth who are the most frequent users. Smartphones are aggressively taking over market share from the simple and conventional mobile handsets.

Risks, Threats and Concerns

Our business today finds itself amidst ambiguities as it looks to the future. Market volatility, recession, civil uprisings and business interruptions, to name a few, are building paranoia in the minds of management and stakeholders alike. When the present is so uncertain, forecasting the future becomes riskier.

Eminent market analysts foresee the downward curve brought on by recession to remain downward facing, in the near future. This has drawn the attention of companies like ours towards equipping ourselves with survival strategies in these tumultuous times.

Markets have always believed in the mantra—'greater the risk, higher the reward'. We have witnessed in our own industry a classic example of how every risk brings with it new opportunities. Latest products and technologies are definitely turning inventories obsolete but they also bring with them new products to cater to. When demand for desktop computers fell, it sent shock waves across distributors like us, but the ripples saw the growth in demand for laptops. In future, laptops may face a similar fate giving way to Tablets / Smartphones.

As Redington intends growing its business aggressively, the time is ripe to look at the road ahead so that our business does not stagnate. Redington seizes every opportunity before it by entering adjacencies and diversifying its portfolio, brands and products, to the maximum possible extent in an effort to keep risk exposure to the minimum.

Internal Control Systems and Their Adequacy

Risk management in your Company is based on having stringent and effective internal control systems embedded in all areas of the Company's operations. It has been the DNA of your Company to constantly sensitize and educate all the employees to the importance of risk-management at every level. This has enabled your Company to manage its risks better despite very challenging business and regulatory environments. This has been instrumental in your Company maintaining its credit standing with all its stakeholders including vendors, bankers and the rating agencies.

Over the years your Company has developed robust risk-management procedures by adopting the following methodology:

1. Multi-functional teams to identify, capture, measure, monitor, manage and control various risks which confront our business
2. Regular operations are governed by processes built into the ERP System with multi-tiered controls
3. In-depth review of all critical and important areas by In-house and external Audit processes
4. The adequacy of internal controls is reviewed by Statutory Auditors, Internal Auditors and the Audit Committee at regular intervals
5. Deployment of independent experts to randomly examine critical areas of exposure for the Company and evaluate the adequacy of the controls in place to manage such risks
6. Communication on the risk management policy and processes to all levels encourages employees to actively and knowledgeably participate in risk management activities

Human Resources

Your Company follows a simple philosophy while managing and nurturing its human talent:

- A relatively flat organizational structure
- Distributed responsibility and decision making with each role in the organization invested with freedom of operation within defined boundaries
- An open, non-hierarchical culture with ready access to all senior executives
- Professional, non-discretionary approach to all decision making. Well laid out processes based on principles of fairness
- Principle of "equality". Perquisites and allowances for undertaking specific official assignments are similar across the board
- Career advancement based solely on meritocracy and suitability
- Each Team Leader is his/her team's HR department with responsibility towards handling their escalations and concerns

Your Company firmly believes that its Human Resources are its most important capital and strives to ensure that all its employees understand that they work for a professional, fair, non-discriminatory and a transparent organization. The Company accepts that it is very difficult for it to meet all the aspirations of all the people working for it and hence tries to base its decisions on "objectiveness".

Over the past 12 months, the HR Department has taken the lead in promoting a sense of bonding amongst the employee community by organizing "family days" at the office premises during Public Holidays, with the help of different Business units and functions. The participation of the family members and more particularly the enthusiastic participation of employees' children is an added incentive for the company to continue with this activities.

Segment-wise Performance Analysis

Your Company identified Geographical Segment as the primary segment based on the similarity of risks and returns of the operation of business in different countries or other geographical areas.

Geographical segments reported are India and Overseas. Secondary segment identified are Distribution, Financial Service business and others. Both in India as well as overseas, your Company has performed reasonably well during this fiscal year. Despite the wider fluctuation of the Dollar vis-a-vis the Indian Rupee and political unrest in MEA region, the Company has managed to post double digit growth in its revenue and earnings in the year under review.

Your Company's consolidated financial performance is marked by healthy revenue and profit mix from both domestic and overseas markets and a strong market position in both these markets. It may be heartening to note that your Company continued its leadership position in both MEA and Indian Markets this year.

Details on the geography-wise performance has been covered in the Consolidated Financial performance analysis.

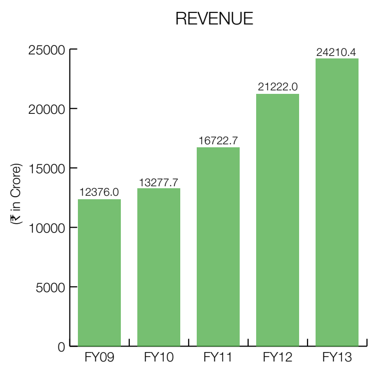
Financial Performance Analysis

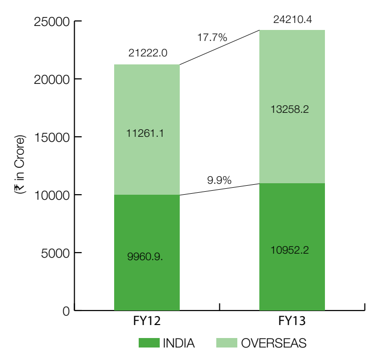
The financials of your Company and its subsidiaries have been prepared in accordance with Generally Accepted Accounting Principles in India in compliance with the Accounting Standards notified by the Central Government.

Analysis on the Consolidated Financial Performance

Revenue

Your Company's consolidated revenue was ₹ 24210.4 Crore for the fiscal 2013, an increase of 14.1% when compared to fiscal 2012, with a CAGR of 18% for the last 5 years. Our fiscal 2013 revenue growth in MEA is primarily as the result of expansion of the Company's business in more territories in the African continent and increasing momentum in the telecom business.





Geographical revenue growth performance

Gross Margin

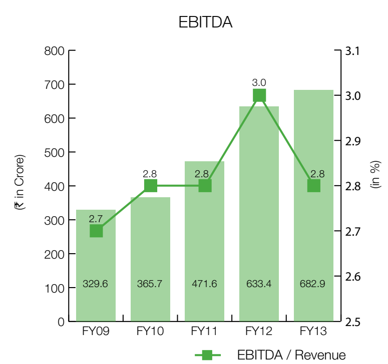
Gross Margin during fiscal 2013 was 6.08% in line with 6.07% in fiscal 2012. Though there were better product mix across geographies, these were partially offset by competitive pricing conditions, particularly in India.

Expenses

Employee Benefits expense is increased majorly due to increase in headcount and normal rise in compensation for existing employees. The freight expense during the year has increased due to increase in export shipments in overseas entities. The Communication charges have also seen a rise because of the one-time charges incurred by Redington Gulf FZE, for facilitating better connectivity to the backoffice operations in Chennai. Incorporation of new entities in overseas has also contributed to the increase in communication cost.

EBITDA

EBITDA grew by 7.8% to 682.9 Crore in fiscal 2013 from 633.4 Crore for fiscal 2012, with a CAGR of 20% for the last 5 years.



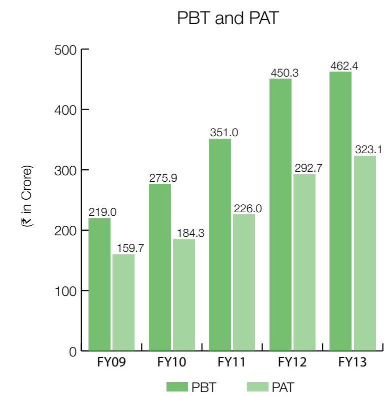
Finance Costs

Finance costs increased by 20.1% to ₹ 182.7 Crore in the year under review as compared to ₹ 152.0 Crore in fiscal year 2012. This increase is primarily attributable to the interest expense incurred by Redington International Mauritius Limited (RIML), a Wholly Owned Subsidiary of the Company towards the 5 year term loan of USD 78 million, taken during February 2012 to consolidate its holding in Redington International Holdings Limited. During April 2013, RIML has negotiated to refinance the loan from another bank, at a lesser interest rate and prepaid the existing loan. This refinance is expected to reduce our interest cost over the next 4 year period.

As a part of our overall strategy, we manage our treasury to ensure that sufficient and appropriate finance is available to protect against unexpected events and to support ongoing growth and urgent cash requirements. The Company had ensured that the temporary surplus available in the system is invested in short term mutual funds to ensure that the funds are effectively deployed.

PBT and PAT

The profit after tax and minority interest during the financial year 2013 was ₹ 323.1 Crore versus ₹ 292.7 Crore during the last financial year 2012, signifying an increase of 10.4% during the year over the previous year. Yet another year of double digit growth in earnings, in a tough business environment across many geographies.



Operating Cash Flow Statement

In spite of the slowdown in the recovery of the industry in which your company operates, the company's endeavor to maintain positive cash flow from the operating activity was not compromised and given utmost importance by way of constant review. This resulted in your consolidated cash flow from operations being positive for the second successive year. This positive cash flow for the year has reduced your Company's Debt to Equity ratio compared to 31st March 2012 and is expected to facilitate easy repayment of the USD 78 million long term loan, for which 1st repayment installment starts from August 2013.

Key Ratios

Particulars	FY13	FY12
ROCE (%)* (Average)	17.7	18.4
ROE (%)* (Average)	22.8	23.9
Book Value/share (in ₹)	39.5	33.2
EPS (in ₹)	8.1	7.4
Interest cover (times)	3.5	3.9
Gross Debt: Equity (times)	1.2	1.5
Net Debt: Equity (times)	0.9	1.2

* Goodwill has been excluded and Capital Reserve has been included appropriately

Return ratios like Return on Capital Employed (ROCE) and Return on Equity (ROE) were marginally down due to lower profitability during the year. Still the Company has maintained more than 20% ROE for the last 2 years consistently. Book value per share and EPS has shown improvement due to profit growth during the year. The drop in the interest cover is on account of higher interest rate outflow towards the USD 78 Million long term loan. However the Gross and Net Debt to Equity ratios have improved due to positive cash flow from operations for the year.

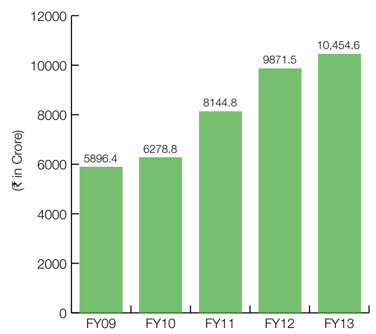
Analysis on the Standalone Financial Performance

Revenue

The Company's revenue primarily comprises of sale of Information Technology, Consumer and Digital Lifestyle products, followed by income from the After Sales Support Services. The standalone revenue was ₹ 10,454.6 Crore for the fiscal 2013, an increase of 5.9% when compared to fiscal 2012, with a CAGR of 15% for the last 5 years.

The main reason for the revenue growth during the last fiscal 2013 is because of the sustained growth in the Enterprise products, lifestyle and Smartphones segment of the Company and also the closure of large projects that had been in our funnel for some time. The Company's tie-up with Apple for distribution of iPhone during the year enabled increased revenue from sale of iPhones more than compensating for lower revenue from sale of BlackBerry phones. Service income and the income from distribution segment increased by 20.2% and 5.1% respectively.

REVENUE



Other income included in revenue above for the fiscal grew by 44.4% to ₹ 44.9 Crore from ₹ 31.1 Crore in the previous year. Significant increase in dividend contribution from the subsidiaries and increase in income from mutual funds resulted in increase in other income. The Company invests the short-term surplus funds in liquid schemes of Mutual Funds that are highly secure. Your Company does not leave any stone unturned to collect the overdues from its customers though these were provided for. This perseverance and the constant follow-up helped the Company to recover ₹ 1.0 Crore in Fiscal 2013 out of bad debts that were written off during previous periods.

Expenses

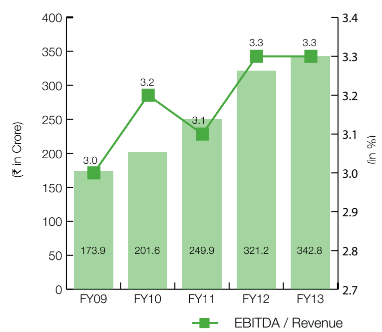
Employee costs increased on account of revision in salary. The Bank charges increased to ₹ 7.1 Crore as against the ₹ 3.7 Crore during the previous year due to increased utilization of Non-Fund based limits. The sales promotion charges increased to ₹ 19.7 Crore as against ₹ 3.7 Crore during the previous year mainly because of higher spending for promotional activities of certain brands as per the agreement.

EBITDA

EBITDA grew by 6.7% to ₹ 342.8 Crore in the fiscal 2013 from ₹ 321.2 Crore for the fiscal 2012, with a CAGR of 18% for the last 5 years.

EBITDA as a percentage of revenue touched a high of 3.3% for the fiscal 2013 as against 3.3% for the previous fiscal.

EBITDA



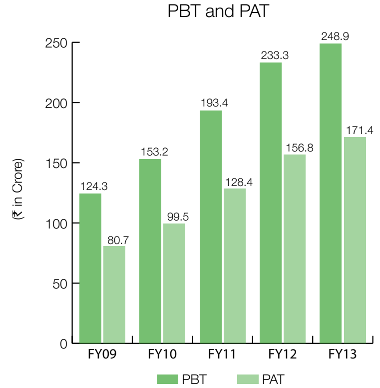
Finance Costs

Belying our expectation of reduction in interest rates in India during the year, the rates remained high throughout the year, pushing up our interest expense outflow to ₹ 83.9 Crore for the year. Our working capital utilization remained under control for major part of last financial year.

PBT and PAT

Profit after Tax increased to ₹ 171.4 Crore during the year as against ₹ 156.8 Crore during the fiscal 2013. The Y-o-Y growth of 6.7% and 9.3% in the PBT and PAT respectively has been mainly on account of increased dividend income from subsidiary, increased contribution from the higher margin products, which were counteracted by the rise in the interest costs and operational expenses.

PBT and PAT



Operating Cash Flow Statement

Cash generated from the operation activities during the year was ₹ 149.8 Crore as against ₹ 171.0 Crore during the previous fiscal 2012.

Key Ratios

Particulars	FY13	FY12
ROCE (%)* (Average)	32.33	35.01
ROE (%)* (Average)	44.00	50.03
Book Value/share (in ₹)	26.69	22.81
EPS (in ₹)	4.29	3.94
Interest cover (times)	3.97	4.01
Gross Debt: Equity (times)	0.58	0.68
Net Debt: Equity (times)	0.44	0.61

* Investment made in Wholly Owned Subsidiaries and Dividend income received is excluded.

Return on Capital Employed (ROCE) and Return on Equity (ROE) was affected due to lower profitability during the year. The Company has maintained more than 40% ROE for the last 3 years consistently. Book value per share and EPS has shown improvement due to profit growth during the year. Interest cover has come down marginally due to higher interest cost in India during the year.

standalone financial statements

Independent Auditors' Report to the Members of Redington (India) Limited

Report on the Financial Statements

We have audited the accompanying financial statements of REDINGTON (INDIA) LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act") and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
(b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
(c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
   (a) We have 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.
   (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
   (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in Section 211(3C) of the Act.
   (e) On the basis of the written representations received from the directors as on March 31, 2013 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013 from being appointed as a director in terms of Section 274(1)(g) of the Act.

For **Deloitte Haskins & Sells**
Chartered Accountants
Firm Registration No. 008072S

B Ramaratnam
Partner
Membership No. 21209

Chennai, May 22, 2013

Annexure to the Independent Auditors' Report

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

(i) Having regard to the nature of the Company's business / activities / results during the year, clauses (viii), (x), (xii), (xiii), (xiv), (xvi), (xviii), (xix) and (xx) of paragraph 4 of the Order are not applicable to the Company.

(ii) In respect of its fixed assets:
   (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
   (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
   (c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.

(iii) In respect of its inventories:
   (a) As explained to us, the inventories were physically verified during the year by an external firm of Chartered Accountants at reasonable intervals.
   (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
   (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.

(iv) The Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956.

(v) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods and services and during the course of our audit, we have not observed any major weakness in such internal control system.

(vi) To the best of our knowledge and belief and according to the information and explanations given to us, there are no contracts or arrangements referred to in Section 301 of the Companies Act, 1956, that need to be entered in the Register maintained under the said Section.

(vii) According to the information and explanations given to us, the Company has not accepted any deposit from the public during the year.

(viii) In our opinion, the internal audit functions carried out during the year by an external agency appointed by the Management have been commensurate with the size of the Company and the nature of its business.

(ix) According to the information and explanations given to us, in respect of statutory dues:
   (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
   (b) There were no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at March 31, 2013 for a period of more than six months from the date they became payable.
   (c) Details of dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and Cess which have not been deposited as on March 31, 2013 on account of disputes are given below:

Name of the Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount involved ₹ in Lakhs
Income Tax Act, 1961	Income Tax	Income Tax Appellate Tribunal	2006-07 to 2008-09	757.64
		Commissioner of Income Tax (Appeals)	2005-06	37.75
Sales Tax Act of various states	Sales Tax	Appellate and Tax Revisional Board (various states)	2007-08 and 2009-10	11.61
		Additional Commissioner (Appeals) (various states)	2004-05 to 2006-07 and 2009-10	4.45
		Deputy Commissioner (Appeals) (various states)	2005-06 to 2007-08 and 2010-11	75.00
		Joint Commissioner (Appeals)	2006-07	13.73
		Special Commissioner-VAT (various states)	2005-06 and 2008-09	631.98
		Tax Tribunal	2002-03	17.28
Central Sales Tax Act, 1956	Sales Tax	Appellate and Tax revisional Board - Kolkata	2007-08	0.73
		Addl.Commissioner Appeals -various states	2007-08, 2011-12	90.88
		Honourable High Court of Calcutta	2002-03	5.19
The Customs Act, 1962	Customs duty	Central Excise Appellate Tribunal	2007-2008	15.27

(x) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not borrowed from any financial institutions and has not issued any Debentures.

(xi) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by others from banks are not, prima facie, prejudicial to the interests of the Company.

(xii) In our opinion and according to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, we report that funds raised on short-term basis have, prima facie, not been used during the year for long- term investment.

(xiii) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For **Deloitte Haskins & Sells**
Chartered Accountants
Firm Registration No. 008072S

B. Ramaratnam
Partner
Membership No. 21209

Chennai, May 22, 2013

Balance Sheet as at March 31, 2013

(₹ in Lakhs)

Particulars	Note No.	March 31, 2013	March 31, 2012
I. EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	7,983.05	7,971.56
Reserves and surplus	4	98,563.75	82,925.78
		106,546.80	**90,897.34**
Non-current liabilities			
Long-term provisions	5	710.09	663.70
		710.09	**663.70**
Current liabilities			
Short-term borrowings	6	61,926.73	62,071.50
Trade payables	7	92,562.78	96,439.11
Other current liabilities	8	19,418.75	12,148.77
Short-term provisions	9	1,981.95	1,937.73
		175,890.21	**172,597.11**
TOTAL		**283,147.10**	**264,158.15**
II. ASSETS			
Non-current assets			
Fixed assets			
(i) Tangible assets	10(i)	6,655.44	7,171.06
(ii) Intangible assets	10(ii)	17.75	44.05
(iii) Capital work-in-progress		1,530.30	867.93
Non-current investments	11	65,911.64	59,042.89
Deferred tax assets (net)	12	675.18	506.85
Long-term loans and advances	13	6,962.21	3,852.70
		81,752.52	**71,485.48**
Current assets			
Inventories	14	77,186.34	81,699.38
Trade receivables	15	93,301.91	83,417.46
Cash and cash equivalents	16	15,037.96	6,181.83
Short-term loans and advances	17	15,868.37	21,374.00
		201,394.58	**192,672.67**
TOTAL		**283,147.10**	**264,158.15**

See accompanying notes forming part of financial statements

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

B Ramaratnam
Partner

Place : Chennai
Date : May 22, 2013

For and on behalf of the Board of Directors

R Srinivasan
Managing Director

Raj Shankar
Joint Managing Director

M Raghunandan
Whole-Time Director

S V Krishnan
Chief Financial Officer

M Muthukumarasamy
Company Secretary

Place : Singapore
Date : May 22, 2013

Statement of Profit and Loss for the year ended March 31, 2013

(₹ in Lakhs)

Particulars	Note No.	Year Ended March 31, 2013	Year Ended March 31, 2012
Revenue from operations	18	1,040,966.42	984,040.52
Other income	19	4,488.31	3,107.51
Total Revenue		**1,045,454.73**	**987,148.03**
Expenses:			
Purchases of trading stocks		977,627.58	938,045.80
Changes in inventories		4,513.04	(9,956.31)
Employee benefits	20	10,209.06	9,753.27
Finance costs	21	8,385.66	7,740.43
Depreciation & amortisation	10(iii)	1,000.36	1,054.76
Other expenses	22	18,825.00	17,180.87
Total Expenses		**1,020,560.70**	**963,818.82**
Profit Before Tax		**24,894.03**	**23,329.21**
Tax expense:			
Current tax		7,925.00	7,750.00
Deferred tax		(168.33)	(102.00)
Profit for the Year		**17,137.36**	**15,681.21**
Earnings per equity share:	23		
Basic		**4.29**	**3.94**
Diluted		**4.29**	**3.93**
See accompanying notes to the financial statements			

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

B Ramaratnam
Partner

Place : Chennai
Date : May 22, 2013

For and on behalf of the Board of Directors

R Srinivasan
Managing Director

Raj Shankar
Joint Managing Director

M Raghunandan
Whole-Time Director

S V Krishnan
Chief Financial Officer

M Muthukumarasamy
Company Secretary

Place : Singapore
Date : May 22, 2013

Cash Flow Statement for the year ended March 31, 2013

(₹ in Lakhs)

Particulars	Year Ended March 31, 2013	Year Ended March 31, 2012
A. Cash flow from operating activities:		
Profit before tax	**24,894.03**	**23,329.21**
Adjustments for:		
- Depreciation & amortisation	1,000.36	1,054.76
- Interest expense	8,385.66	7,740.43
- Interest income	(1,522.62)	(2,088.79)
- Bad Debts written off	-	26.40
- Provision for doubtful receivables	998.53	1,013.37
- Dividend from Subsidiaries	(2,137.16)	(568.85)
- Dividend income from short term Investments	(257.18)	(68.30)
- Provision for compensated absences	95.32	101.42
- Provision for gratuity	196.95	128.67
- Unrealised foreign exchange (net)	903.38	879.86
- Loss/(Profit) on sale of fixed assets	2.68	(8.03)
Operating Profit before working capital change	**32,559.95**	**31,540.15**
(Increase)/Decrease in Trade receivables	(10,885.16)	964.02
(Increase)/Decrease in Long-term loans and advances	(356.74)	238.64
(Increase)/Decrease in Short-term loans and advances	(833.96)	64.34
Decrease/(Increase) in Inventories	4,513.04	(9,956.31)
Increase/(Decrease) in Other Current Liabilities	5,540.85	(1,189.34)
(Decrease)/Increase in Trade Payables	(5,221.99)	3,867.57
Increase in Short-term provisions	30.27	11.87
Decrease in Long-term provisions	(245.87)	(92.29)
Cash generated from operations	**25,100.39**	**25,448.65**
Direct taxes paid	(10,116.72)	(8,344.81)
Net Cash generated from operating activities	**14,983.67**	**17,103.84**
B. Cash flow from investing activities:		
Capital Expenditure	(1,687.13)	(2,527.21)
Proceeds from Sale of fixed assets	221.15	63.90
Interest received	1,616.22	1,847.58
Dividend Income from Subsidiaries	2,137.16	568.85
Dividend Income from short term Investments	257.18	68.30
Loan settled by ESPS Trust	-	4.50
Loans granted to Subsidiaries & Associates	(41,870.92)	(67,854.35)
Loans settled by Subsidiaries & Associates	48,269.98	56,238.35
Purchase of short term Investments	(482,775.00)	(67,750.00)
Redemption of short term Investments	482,775.00	67,750.00
Bank Deposits original maturity for more than three months (Net)	(25.26)	(15.48)
Investments in Subsidiaries	(6,868.75)	(12,742.80)
Net Cash generated/(used) in investing activities	**2049.63**	**(24,348.36)**
C. Cash flow from financing activities:		
Repayment of term loan to bank	-	(1,875.00)
(Repayment)/Proceeds from short term borrowings (net)	(144.77)	12,443.66
Proceeds from allotment of shares including premium under Employee Stock Option,2008 issued by the employer	154.20	591.07
Dividends paid (including dividend tax)	(1,610.09)	(5,026.97)
Interest paid	(6,601.34)	(7,743.33)
Net cash used in financing activities	**(8,202.00)**	**(1,610.57)**
Net increase/(decrease) in cash and cash equivalents	**8,831.30**	**(8,855.09)**
Cash and cash equivalents at the beginning of the year	**5,916.09**	**14,771.18**
Cash and cash equivalents at the end of the year	**14,747.39**	**5,916.09**
Reconciliation of cash equivalent at the end of the year as per Balance sheet	**15,037.96**	**6,181.83**
Less: Bank Deposits original maturity for more than three months treated as investing activities	285.00	260.00
Less: Earmarked Balance -Dividend Account	4.14	4.57
Less: Balance held as Margin money	1.43	1.17
Cash and cash equivalents at the end of the year	**14,747.39**	**5,916.09**
See accompanying notes forming part of financial statements		

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

B Ramaratnam
Partner

Place : Chennai
Date : May 22, 2013

For and on behalf of the Board of Directors

R Srinivasan
Managing Director

Raj Shankar
Joint Managing Director

M Raghunandan
Whole-Time Director

S V Krishnan
Chief Financial Officer

M Muthukumarasamy
Company Secretary

Place : Singapore
Date : May 22, 2013

Notes to financials statements for the year ended March 31, 2013

1. Company Overview

Redington (India) Limited ("the Company"), is a public limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company's stocks are listed on the bourses of BSE Limited and National Stock Exchange of India Limited. The Company operates in the distribution business and after sales service of Information Technology and other products. The Company and its subsidiaries operate in India, South East Asia, Middle East, Africa and Turkey.

2. Basis of preparation of financial statements

2.1 The financial statements have been prepared under the historical cost convention on accrual basis and in accordance with Generally Accepted Accounting Principles in India ("Indian GAAP"). These financial statements comply with the relevant provisions of the Companies Act, 1956 ("the Act") and the Accounting Standards notified by the Central Government under Companies (Accounting Standard) Rules, 2006/ issued by The Institute of Chartered Accountants of India. The accounting policies adopted in the preparation of financial statements are consistent with the previous year.

2.2. Summary of Significant Accounting Policies

a. Use of Estimates

The preparation of the financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and the disclosures relating to contingent assets and liabilities as on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Actual results could differ from these estimates and differences between the actual results and estimates are recognised in the year is where the results are known or materialize.

b. Fixed assets

Tangible assets

Tangible Assets are recorded at cost less accumulated depreciation. Cost comprises of purchase price and other directly attributable cost of bringing the assets to its working condition for the intended use.

Gains or losses arising from derecognition of tangible fixed assets 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 Tangible assets

1. Depreciation on tangible assets is calculated on a straight-line basis over the estimated useful lives, as determined by the Management at the following rates, which are higher than the rates prescribed under Schedule XIV of the Companies Act, 1956.

Class of Asset	Rates %
Buildings	5
Plant & Equipment	20
Furniture & Fixtures	25
Office Equipments	20
Computers	33.33
Vehicles	20

2. Depreciation on additions to fixed assets is provided from the month of addition.
3. Individual fixed asset whose cost does not exceed ₹ 5,000/- are fully depreciated in the year of acquisition.
4. Expenditure on Interiors on premises taken on lease (included in furniture & fixtures) are capitalized and depreciated over a period of five years.

Intangible assets

Intangible assets are recorded at cost less amortization.
Intangible assets are amortized over the estimated useful economic life on straight-line basis.

Class of Asset	Rates %
Software	33.33

c. Impairment of tangible and intangible assets

The Company determines periodically whether there is any indication of impairment of the carrying amount of its assets. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. The recoverable amounts of such assets are estimated, if any indication exists and impairment loss is recognized wherever the carrying amount of the assets exceeds its recoverable amount. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

d. Leases

Leases are classified as finance or operating leases depending upon the terms of the lease agreements.

e. Investments

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried at lower of cost or fair value. Long-term investments which are strategic in nature are generally carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and provision made for each investment individually.

f. Inventories

Inventories are stated at lower of cost and net realizable value. Costs includes cost of purchase and other costs incurred in bringing the inventories to the warehouse, net of discounts and rebates and is determined on weighted average basis.

g. Foreign Currency Transactions

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency on the date of the transaction.

All monetary assets and liabilities in foreign currency are restated at the end of the accounting period at the prevailing exchange rates as on the Balance Sheet date and exchange gain/loss is suitably dealt with in the statement of Profit and Loss.

The premium or discount arising at the inception of forward exchange contracts entered into to hedge an existing asset/liability, is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the Statement of Profit and Loss in the reporting period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognized as income or as expense for the year.

h. Warranties

The Original Equipment Manufacturer generally warrants the products distributed by the Company.

i. Revenue Recognition

1. Revenue from Sales is recognised when the ownership and title is transferred which generally coincides with delivery. Revenue is stated net of discounts, rebates and sales tax.
2. Service Income is recognized when services are rendered. Income from Warranty and Maintenance Contracts is recognized as per the terms of contract.
3. Revenue from supplier schemes is accrued, based on the fulfillment of terms of such programs.

j. Other Income

1. Dividend income is recognised when the Company's right to receive dividend is established.
2. Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. 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 including accumulated short term compensated absences determined as per Company's policy/ scheme are recognized at the Balance Sheet date as expense based on the expected obligation on an undiscounted basis.

ii. **Long Term Employee Benefits**

Defined Benefit Plan

Compensated Absences & Gratuity

The liability for Gratuity and long term compensated absences both unfunded is provided based on actuarial valuation as at the Balance Sheet date, using the Projected Unit Credit Method. Actuarial gains and losses are recognized in the Statement of Profit and Loss for the period in which they occur. The retirement benefit obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost.

Defined Contribution Plan

Contribution under statutory laws relating to employee benefits, including Provident Fund and ESI, is made in accordance with the respective rules and is charged to the Statement of Profit and Loss.

l. Employee share based payments

Stock options granted to the employees under the Employee Stock Option Scheme are evaluated in accordance with the accounting treatment prescribed by the Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999 issued by Securities and Exchange Board of India and the guidance note on Employee share based payments issued by the Institute of Chartered Accountants of India. The Company follows the intrinsic value method of accounting for the options and accordingly the excess of market value of the stock options as on date of grant over the exercise price of the options, if any, is recognized as deferred employee compensation and is charged to the Statement of Profit and Loss on graded vesting basis over vesting period of the options.

m. Current and deferred tax

i. Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit for the year.
ii. Current tax is measured as the amount expected to be paid to the tax authorities in accordance with the provisions of the Income Tax Act, 1961, on the income for the year chargeable to tax.
iii. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences between the carrying values of the assets and liabilities and their respective tax bases using enacted or substantively enacted tax rates at the reporting date. Deferred tax assets, subject to consideration of prudence, are recognized and carried forward to the extent they can be realized.

n. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made. Contingent liability is disclosed for

(i) Possible obligation which will be confirmed only by 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 will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognized in the financial statements.

o. Segment Reporting

Since the Company prepares consolidated financial statements as per AS-17 "Segment reporting", segment information has been provided in consolidated financial statements.

p. Cash and cash equivalents

Cash comprises 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.

q. Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) 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 could have been issued on the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. 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. Derivative Instruments and Hedge Accounting

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 hold derivative financial instruments for speculative purposes. The Company has applied to all such contracts outstanding as on March 31, 2013 the hedge accounting principles set out in Accounting Standard 30 "Financial Instruments : Recognition and Measurement" (AS 30) by marking them to market. Changes in the fair value of the contracts that are designated and effective hedges of future cash flows are recognised directly in Hedge Accounting Reserve.

3. Share Capital

i. The Company has only one class of shares referred to as equity shares having a par value of ₹ 2/-

₹ in Lakhs

	31-Mar-2013	31-Mar-2012
Authorized shares		
425,000,000 (Previous Year 425,000,000) Equity Shares of ₹2/- each	8,500.00	8,500.00
Issued, Subscribed and fully paid up		
399,152,570 (Previous Year 398,578,195) Equity Shares of ₹2/- each fully paid up	7,983.05	7,971.56

ii. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period;

	31-Mar-2013		31-Mar-2012	
	No of shares	₹ in Lakhs	No of shares	₹ in Lakhs
At the beginning of the year	398,578,195	7,971.56	396,330,055	7,926.60
Allotment of shares under Employee Stock Option, 2008 issued by the employer during the year	574,375	11.49	2,248,140	44.96
Outstanding at the end of the year	**399,152,570**	**7,983.05**	**398,578,195**	**7,971.56**

iii. 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 the year ended March 31, 2013 a dividend of ₹ 0.40 per equity share has been proposed by the Board of Directors (Previous year ₹ 0.40 per share). The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting.

iv. Shares held by shareholders holding more than 5%

	31-Mar-2013		31-Mar-2012	
	No of shares	% of Share holding	No of shares	% of Share holding
Redington (Mauritius) Limited	84,027,302	21.05	84,027,302	21.08
Synnex Mauritius Limited	94,295,940	23.62	94,295,940	23.66
Standard Chartered Private Equity (Mauritius) Limited	47,686,500	11.95	47,686,500	11.96
SBI Mutual Fund	20,409,218	5.11	17,830,381	<5% (4.47)

4. Reserves & Surplus

₹ in Lakhs

i. Securities Premium Reserve	**31-Mar-2013**	**31-Mar-2012**
Balance as per the last Balance sheet	35,035.37	34,489.26
Add: Premium on shares issued on exercise of ESOP, 2008	142.71	546.11
Balance at the end of the year	**35,178.08**	**35,035.37**

₹ in Lakhs

ii. General Reserve	**31-Mar-2013**	**31-Mar-2012**
Balance as per the last Balance sheet	5,357.26	4,181.17
Add: Transfer from surplus in statement of profit and loss	1,285.30	1,176.09
Balance at the end of the year	**6,642.56**	**5,357.26**

₹ in Lakhs

iii. Hedge Accounting Reserve	**31-Mar-2013**	**31-Mar-2012**
Balance as per the last Balance sheet	17.52	(2.09)
Add: Net movement during the year	(18.06)	19.61
Balance at the end of the year	**(0.54)**	**17.52**

₹ in Lakhs

iv. Surplus in the Statement of profit and loss	**31-Mar-2013**	**31-Mar-2012**
Balance as per the last Balance sheet	42,515.63	29,811.46
Profit for the year	17,137.36	15,681.21
Sub total	**59,652.99**	**45,492.67**
Less: Appropriations		
Proposed final equity dividend for the year	1,596.61	1,595.22
Dividend Distribution Tax on the Proposed Dividend	271.34	258.78
Dividend including Dividend distribution tax for previous year (Refer note below)	1.09	8.20
Dividend distribution tax credit on account of dividend received from Indian subsidiary	(245.00)	(61.25)
Transfer to general reserve	1,285.30	1,176.09
Balance at the end of the year	**56,743.65**	**42,515.63**

Total reserves and surplus	**98,563.75**	**82,925.78**

a. Subsequent to the date of Balance Sheet as on March 31, 2012 and before the book closure date, 235,875 (Previous Year 641,310) equity shares were allotted under Employees Stock Option Plan 2008 and dividend of ₹ 0.94 Lakhs (Previous year ₹ 7.05 Lakhs) on these shares were paid. The total amount of ₹ 1.09 Lakhs (Previous year ₹ 8.20 lakhs) including tax on dividend, have been appropriated from the opening balance of the Statement of Profit and Loss.

5. Long Term Provisions

₹ in Lakhs

	31-Mar-2013	31-Mar-2012
Compensated Absences	205.53	196.20
Gratuity	504.56	467.50
Total	**710.09**	**663.70**

Gratuity

The Company's obligation towards Gratuity fund is a Defined Benefit Plan and the details of actuarial valuation as at the year end is given below:

a. Movement

₹ in Lakhs

Particulars	2012-13	2011-12
Projected Benefit Obligation at the beginning of the year	**495.28**	**401.14**
Service cost	110.20	101.68
Interest Cost	32.24	28.83
Actuarial Loss /(gain)	54.51	(1.84)
Benefits paid	(133.22)	(34.53)
Projected Benefit Obligation at the end of the year	**559.01**	**495.28**
Amount recognized in the Balance Sheet:		
Projected benefit obligation at the end of the year	559.01	495.28
Liability recognized in the Balance Sheet	**559.01**	**495.28**
Particulars	**2012-13**	**2011-12**
Cost of the defined plan for the year:		
Current service cost	110.20	101.68
Interest on obligation	32.24	28.83
Net actuarial loss/(gain) recognized during the year	54.51	(1.84)
Net cost recognized in the Statement of Profit and Loss	**196.95**	**128.67**

b. Assumptions for Gratuity/ Compensated Absences:

₹ in Lakhs

Particulars	2012-13	2011-12
Discount Rate (Based on yield of GOI securities)	7.5%	7.5%
Salary escalation rate	5%	5%
Attrition rate	3%	3%
Demographic assumptions – Mortality	IALM (2006-08) ULT	LIC 94-96 rates

The amount provided for gratuity as per actuarial valuation has been arrived after considering future salary increase, inflation, seniority and promotion.

The details of experience adjustments arising on account of plan liabilities are not available in the valuation report and hence, are not furnished.

6. Short-term borrowings

₹ in Lakhs

	31-Mar-13	31-Mar-12
Secured Loan from Banks		
- Repayable on demand	-	21,700.06
- Others	45,818.78	22,286.93
Unsecured Loan from Banks		
- Repayable on demand	-	157.86
- Others	16,107.95	17,926.65
Total	**61,926.73**	**62,071.50**

a. Loans from Banks are secured by pari-passu charge on Inventory and trade receivables.

b. The Company placed Commercial Paper during the year, there are no amounts outstanding as at March 31, 2013 and the maximum amount outstanding any time during the year was ₹ 57,500 Lakhs (Previous Year ₹ 29,000 Lakhs).

7. Trade Payables

₹ in Lakhs

	31-Mar-2013	31-Mar-2012
Trade Payables*	88,943.19	92,737.19
Other Payables	3,619.59	3,701.92
Total	**92,562.78**	**96,439.11**

Trade payables are dues in respect of goods purchased or services received (including from employees) in the normal course of business.

* **Trade Payables includes due to Micro and Small Enterprises**

₹ in Lakhs

	31-Mar-2013	31-Mar-2012
Due to Micro and Small Enterprises	1.49	16.39
Total	**1.49**	**16.39**

The Company has circulated letters to suppliers and based on confirmation 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 financials in accordance with the Notification No: GSR 719 (E) dated 16.11.2007 issued by the Ministry of Corporate Affairs. There is no overdue outstanding (including interest) payable to these enterprises.

8. Other current liabilities

₹ in Lakhs

	31-Mar-2013	31-Mar-2012
Creditors for other liabilities	9,224.45	4,917.42
Statutory Liabilities	4,594.54	4,426.84
Other Liabilities	241.16	198.41
Advances/deposit received from Customers	1,858.28	1,081.18
Interest accrued but not due on loans	2,518.78	734.46
Deferred Revenue	977.40	785.89
Earmarked Liability - Unclaimed Dividend*	4.14	4.57
Total	**19,418.75**	**12,148.77**

** No Amount is due and outstanding to be credited to Investor Education and Protection Fund as on March 31, 2013*

9. Short-term provisions

₹ in Lakhs

	31-Mar-2013	31-Mar-2012
Compensated absences	59.55	55.95
Gratuity	54.45	27.78
Proposed Dividend	1,596.61	1,595.22
Dividend Tax on Proposed Dividend	271.34	258.78
Total	**1,981.95**	**1,937.73**

10. Fixed Assets

i. Tangible Assets

₹ in Lakhs

Description	Gross Block				Accumulated Depreciation				Net Block	
	01-Apr-2012	Additions	Deletions	31-Mar-2013	01-Apr-2012	For the Year	Deletions	31-Mar-2013	31-Mar-2013	31-Mar-2012
Land										
Current year	2,779.64	1.01	-	2,780.65	-	-	-	-	2,780.65	2,779.64
Previous year	*2,615.55*	*164.09*	-	*2,779.64*	-				*2,779.64*	*2,615.55*
Buildings										
Current year	2,605.00	6.44	-	2,611.44	467.08	149.65		616.73	1,994.71	2,137.92
Previous year	*2,564.26*	*40.74*	-	*2,605.00*	*319.14*	*147.94*	-	*467.08*	*2,137.92*	*2,245.12*
Plant and Equipment										
Current year	1,235.72	61.90	239.27	1,058.35	803.25	140.45	192.42	751.28	307.07	432.47
Previous year	*1,114.64*	*163.09*	*42.01*	*1,235.72*	*665.48*	*169.35*	*31.58*	*803.25*	*432.47*	*449.16*
Furniture & Fixtures										
Current year	2,697.98	99.00	243.00	2,553.98	1,714.72	319.71	199.03	1,835.40	718.58	983.26
Previous year	*2,253.71*	*736.64*	*292.37*	*2,697.98*	*1,608.65*	*372.10*	*266.03*	*1,714.72*	*983.26*	*645.06*
Office Equipment										
Current year	502.95	68.37	141.82	429.50	339.60	51.47	121.48	269.59	159.91	163.35
Previous year	*452.21*	*85.92*	*35.18*	*502.95*	*316.76*	*56.25*	*33.41*	*339.60*	*163.35*	*135.45*
Computers										
Current year	1,917.31	208.84	400.17	1725.98	1,533.23	178.25	337.27	1,374.21	351.77	384.08
Previous year	*1,687.60*	*328.00*	*98.29*	*1,917.31*	*1,490.21*	*136.68*	*93.66*	*1,533.23*	*384.08*	*197.39*
Vehicles										
Current year	412.97	174.90	92.84	495.03	122.63	85.06	55.41	152.28	342.75	290.34
Previous year	*305.92*	*137.09*	*30.04*	*412.97*	*73.16*	*66.81*	*17.34*	*122.63*	*290.34*	*232.76*
Tangible assets total										
Current year	**12,151.57**	**620.46**	**1,117.10**	**11,654.93**	**4,980.51**	**924.59**	**905.61**	**4,999.49**	**6,655.44**	**7,171.06**
Previous year	***10,993.89***	***1,655.57***	***497.89***	***12,151.57***	***4,473.40***	***949.13***	***442.02***	***4,980.51***	***7,171.06***	***6,520.49***

ii. Intangible Assets

₹ in Lakhs

Description	Gross Block				Amortization				Net Block	
	01-Apr-2012	Additions	Deletions	31-Mar-2013	01-Apr-2012	For the Year	Deletions	31-Mar-2013	31-Mar-2013	31-Mar-2012
Software										
Current year	729.83	61.81	351.59	440.05	685.78	75.77	339.25	422.30	17.75	44.05
Previous year	*663.87*	*65.96*	-	*729.83*	*580.15*	*105.63*	-	*685.78*	*44.05*	*83.72*
In-tangible assets total										
Current year	**729.83**	**61.81**	**351.59**	**440.05**	**685.78**	**75.77**	**339.25**	**422.30**	**17.75**	**44.05**
Previous year	**663.87**	**65.96**	-	**729.83**	**580.15**	**105.63**	-	**685.78**	**44.05**	**83.72**

iii. Depreciation / Amortization

₹ in Lakhs

Category	2012-13	2011-12
Tangible assets	924.59	949.13
Intangible assets	75.77	105.63
Total	**1,000.36**	**1,054.76**

11. Non-current Investments

Trade Investments

Investment in Equity Instruments - Unquoted

Investment in Subsidiaries & Associates

a. Investment in Indian Subsidiaries

₹ in Lakhs

Name of the Corporate Body	31-Mar-2013	31-Mar-2012
1,301,294 (Previous Year 1,301,294) Equity Shares of ₹ 10/- each fully paid-up in Cadensworth (India) Limited	612.27	612.27
151,030,000 (Previous Year 151,030,000) Equity Shares of ₹ 10/- each fully paid-up in Easyaccess Financial Services Limited	22,074.74	22,074.74
20,000,000 (Previous Year 10,000,000) Equity Shares of ₹ 10/- each fully paid-up in Nook Micro Distribution Limited	2,010.32	1,010.32
4,550,000 (Previous Year Nil) Equity Shares of ₹ 10/- each fully paid-up in ProConnect Supply Chain Solutions Limited (Refer note 28 below)	455.00	Nil
Total	**25,152.33**	**23,697.33**

b. Investment in Overseas Subsidiaries

₹ in Lakhs

Name of the Corporate Body	31-Mar-2013	31-Mar-2012
24,985,453 (Previous Year 24,050,000) Equity Shares of US$ 1 each fully paid-up in Redington International Mauritius Limited	17,579.17	12,165.42
Add:- Inter Transfer of Investment of Redington International Holdings Ltd. (RIHL) *	21,412.33	Nil
	38,991.50	**12,165.42**
Investment in Redington International Holdings Ltd	NIL	21,412.33
3,800,000 (Previous Year 3,800,000) Equity Shares of US$ 1 each fully paid-up in Redington Distribution Pte Limited	1,762.81	1,762.81
Total	**40,754.31**	**35,340.56**

* **Represents transfer of investment held in Redington Gulf FZE by RIHL, to comply with the directive of Reserve Bank of India**

c. Investment in associate

₹ in Lakhs

Name of the Corporate Body	31-Mar-2013	31-Mar-2012
50,000 (Previous Year 50,000) Equity Shares of ₹ 10/- each fully paid-up in Redington (India) Investments Limited	5.00	5.00
Total Investments	**65,911.64**	**59,042.89**

The Company has given undertakings on behalf of some of its subsidiaries to various banks/vendors, that it shall not dilute its shareholding in those subsidiaries below the agreed percentages.

12. Deferred Tax

Break-up of Deferred Tax Assets and Deferred Tax Liabilities arising on account of timing differences:

₹ in Lakhs

Particulars	31-Mar-2013	31-Mar-2012
i. Deferred Tax Assets:		
Provision for doubtful trade receivables	372.63	364.55
Provision for Gratuity	190.01	160.69
Provision for Compensated Absences	90.10	81.81
Depreciation	22.44	Nil
Total	**675.18**	**607.05**
ii. Deferred Tax Liability:		
Depreciation	Nil	100.20
Total	**Nil**	**100.20**
Deferred Tax Asset (Net)	**675.18**	**506.85**

13. Long Term loans and advances

₹ in Lakhs

	31-Mar-2013	31-Mar-2012
Unsecured & Considered Good		
Capital Advances	658.48	97.43
Advance Taxes (Net of Provisions)	4,572.81	2,381.09
Deposits	400.58	182.79
Receivable from Customs/Sales tax Department	1,330.34	1,191.39
Total	**6,962.21**	**3,852. 70**

14. Inventories

₹ in Lakhs

	31-Mar-2013	31-Mar-2012
Trading Stocks	67,276.12	72,040.88
Goods in Transit	9,453.56	9,201.67
Service Spares	456.66	456.83
Total	**77,186.34**	**81,699.38**

15. Trade Receivables – Unsecured

₹ in Lakhs

	31-Mar-2013	31-Mar-2012
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Considered Good	8,679.86	8,372.29
Considered Doubtful	1,096.31	1,123.58
	9,776.17	9,495.87
Other trade receivables – Considered Good	84,622.05	75,045.17
	94,398.22	84,541.04
Less :- Provision for doubtful trade receivables	1,096.31	1,123.58
Total	**93,301.91**	**83,417.46**

16. Cash and Cash Equivalents

₹ in Lakhs

	31-Mar-2013	31-Mar-2012
Cash on hand	17.19	18.17
Balances with Banks		
On Current Account	14,730.20	5,897.92
On Deposit Account	285.00	260.00
Earmarked Balances – Unclaimed Dividend account	4.14	4.57
Margin Money with Banks	1.43	1.17
Total	**15,037.96**	**6,181.83**

17. Short term loans and advances

₹ in Lakhs

	31-Mar-2013	31-Mar-2012
Unsecured & Considered Good		
Loans and Advances to related parties		
Easyaccess Financial Services Limited	6.21	7.33
Nook Micro Distribution Limited	3,003.84	18.10
Cadensworth (India) Limited	1,015.40	0.92
ProConnect Supply Chain Solutions Limited	139.23	-
Redington International Mauritius Limited	-	12,119.06
Redington (India) Investments Limited	5.06	-
Current Technologies Retail (India) Limited	1,207.80	-
Others		
Receivables from Customs authorities	4,214.34	4,654.69
Service tax receivable	3,749.29	2,422.31
Others Advances	1,242.34	373.45
Prepaid expenses	622.52	626.82
Deposits	662.34	1,151.32
Total	**15,868.37**	**21,374.00**

₹ in Lakhs

Maximum amount outstanding during the year	2012-13	2011-12
Easyaccess Financial Services Limited	17,508.64	20,256.67
Nook Micro Distribution Limited	3,005.16	408.17
Cadensworth (India) Limited	1,033.58	0.92
ProConnect Supply Chain Solutions Limited	1,258.59	-
Redington International Mauritius Limited	12,119.05	27,052.82
Redington (India) Investments Limited	5.06	0.49
Current Technologies Retail (India) Limited	1,207.80	0.18

18. Revenue from Operations

₹ in Lakhs

	2012-13	2011-12
Sales	991,808.64	943,696.62
Service Income	15,710.92	13,065.99
Rebates	33,429.25	27,258.64
Other operating revenues	17.61	19.27
Total	**1,040,966.42**	**984,040.52**

19. Other Income

₹ in Lakhs

	2012-13	2011-12
Dividend from subsidiaries	2,137.16	568.85
Interest on loan to related parties	694.10	979.69
Interest from dealers	800.21	1,017.41
Interest on Bank deposits	28.31	91.69
Dividend from Short term Investments	257.18	68.30
Bad Debts Written off in earlier years recovered	101.26	45.66
Exchange gain (Net)	354.87	246.23
Profit on Sale of Fixed Assets (Net)	-	8.03
Others	115.22	81.65
Total	**4,488.31**	**3,107.51**

20. Employee Benefits

₹ in Lakhs

	2012-13	2011-12
Salaries & Bonus	9,023.71	8,614.75
Contribution to Provident Fund & Other Funds	439.76	413.14
Welfare Expenses (including compensated absences)	548.64	596.71
Gratuity	196.95	128.67
Total	**10,209.06**	**9,753.27**

21. Finance Costs

₹ in Lakhs

	2012-13	2011-12
Interest on Borrowings	8,212.20	7,409.55
Other Borrowing Costs	173.46	330.88
Total	**8,385.66**	**7,740.43**

22. Other Expenses

₹ in Lakhs

	2012-13	2011-12
Rent (Refer note: 26)	1,849.20	2,440.77
Warehouse Product/Handling Charges	2,384.54	-
Freight	1,215.03	2,252.17
Commercial Taxes	2,806.05	3,062.55
Repairs & Maintenance	767.50	741.95
Utilities	375.09	369.80
Insurance	433.08	398.89
Rates and Taxes	65.13	44.03
Communication	760.75	678.83
Travel	835.14	790.21
Conveyance	348.91	336.45
Bad Debts	1,025.80	588.33
Less: Written off against provision	<u>1,025.80</u>	<u>561.93</u>
Bad Debts (Net)	-	26.40
Provision for doubtful receivables	998.53	1,013.37
Auditor's Remuneration (Refer details below)	51.79	50.69
Factoring Charges	1,587.46	2,224.72
Trade Mark License Fees	-	107.53
Directors sitting fee	5.52	5.80
Directors Commission	61.97	50.00
Outsourced Resource Cost	407.13	526.97
Loss on Sale of Fixed Assets (Net)	2.68	-
Bank charges	705.95	369.94
Sales Promotion Expenses	1,965.42	366.65
Miscellaneous Expenses	1,198.13	1,323.15
Total	**18,825.00**	**17,180.87**

Auditor's Remuneration

₹ in Lakhs

Particulars	2012-13	2011-12
Audit Fees	21.00	21.00
Taxation Matters	1.50	1.50
Certification	22.58	22.60
Reimbursement of Expenses including taxes	6.71	5.59
Total	**51.79**	**50.69**

23. Earnings per Share

Description	31-Mar-2013	31-Mar-2012
Profit after Tax (₹ in Lakhs)	17,137.36	15,681.21
Weighted Average Number of equity shares (Basic)	399,007,418	398,024,290
Earnings per share- Basic ₹	4.29	3.94
Weighted Average Number of equity shares (Basic)	399,007,418	398,024,290
Add: Effect on ESOPs	783,002	1,048,167
Weighted Average Number of equity shares on account of Employee Stock Option Plan 2008 (Diluted)	399,790,420	399,072,457
Earnings per share- Diluted ₹	4.29	3.93
Face Value per share in ₹	2/-	2/-

24. Contingent Liabilities & Commitments

₹ in Lakhs

Particulars	31-Mar-2013	31-Mar-2012
i. Corporate Guarantees on behalf of subsidiaries	57,025.50	59,269.38
ii. Bills Discounted	4,619.76	1,565.34
iii. Channel financing	4,350.00	2,100.00
iv. Factoring	9,525.00	7,272.50
v. Claims not acknowledged as debts	253.16	185.83

vi. Disputed Customs Duty/Income Tax/Sales Tax demands

₹ in Lakhs

Nature of Dues	31-Mar-2013	31-Mar-2012
Customs duty	110.88	169.64
Income Tax	795.39	795.39
Sales Tax	1,006.63	1,204.25

The Company has paid ₹ 251.39 lakhs under protest (Previous Year ₹ 495.73 Lakhs), which is included under Long-term loans and advances.

vii. Capital Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is ₹ 2,615.25 Lakhs (Previous Year ₹ 2,575.90 Lakhs).

25. Until November 17, 2008, the Company's Middle East and Africa (MEA) business was conducted through its wholly owned subsidiary Redington Gulf FZE, Dubai (RGF). To facilitate investment by a Private Overseas Equity Investor in Redington International Holdings Limited (RIHL) a step down subsidiary of the Company, Redington (India) Limited transferred its 100% shareholding in RGF, without consideration, to RIHL.

In the assessment for the year ended March 31, 2009, the Assessing Officer has sought to bring to taxation the imputed profits on transfer of the above shares to RIHL without consideration, leading to a potential demand of ₹ 138 Cr excluding interest. The Company has made a representation on this to the Dispute Resolution Panel.

Management is hopeful of successfully contesting in appeal if and when a demand is raised.

26. Operating Leases

The Company has taken cancelable operating lease for its office premises, which are for a period ranging from 11 months to 9 years.

27. Accounting for Financial Instruments

Pursuant to the announcement of the Institute of Chartered Accountants of India (ICAI) in respect of "Accounting for Derivatives", the Company had opted to follow the recognition and measurement principles relating to derivatives as specified in AS 30 "Financial Instruments, Recognition and Measurement", issued by the ICAI, from the year ended March 31, 2008.

Consequently, as of March 31, 2013, the Company has recognised Mark to Market (MTM) loss of ₹ 0.54 lakhs. (Previous Year gain of ₹ 17.52 lakhs) relating to forward contracts and other derivatives entered into to hedge the foreign currency risk of highly probable forecast transactions that are designated as effective cash flow hedges, in the Hedge Accounting Reserve as part of the Shareholders Funds.

The MTM net loss on undesignated / ineffective forward contracts amounting to ₹ 5.65 Lakhs (Previous Year ₹ Nil) has been recognised in the Statement of Profit and Loss.

Details of Derivative Exposures are as under:

Type of Derivative	31-Mar-2013		31-Mar-2012	
	$ in Lakhs	₹ in Lakhs	$ in Lakhs	₹ in Lakhs
Outstanding Forward Exchange Contracts entered into by the Company on account on payables including forecast payables				
Payables including forecast payables	1672.09	93,982.42	1,768.89	90,533.15
Loans	-	-	242.19	12,119.05
The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below				
Payables	113.78	6,179.31	139.09	7,071.36
Receivable	88.70	4,817.48	204.68	10,412.71

Type of Derivative	31-Mar-2013		31-Mar-2012	
	€ in Lakhs	₹ in Lakhs	€ in Lakhs	₹ in Lakhs
Outstanding Forward Exchange Contracts entered into by the Company on account on payables including forecast payables	0.62	43.12	-	-

Management covers foreign currency transactions through hedging foreign exchange, while the unhedged balances relate to balance in vendor account which to a larger extent have natural hedge. However the foreign currency exposure is closely monitored in consultation with Authorized dealers.

28. Related party disclosures

1) Key Management Personnel

Mr. R.Srinivasan, Managing Director
Mr. Raj Shankar, Deputy Managing Director
Mr. M.Raghunandan, Wholetime Director

Refer Note 29 for remuneration

2) Names of the related parties

Party where the Company has control	Redington Employee Share Purchase Trust *
Parties having Significant Influence on the Company	Redington (Mauritius) Limited, Mauritius * Synnex Mauritius Limited, Mauritius *
Subsidiary Companies	Nook Micro Distribution Limited, India * Cadensworth (India) Limited, India * Easyaccess Financial Services Limited, India * Redington International Mauritius Limited, Mauritius* Redington International (Holdings) Limited, Cayman Islands Redington Gulf FZE, Dubai Cadensworth FZE, Dubai Redington Gulf & Co. LLC, Oman Redington Nigeria Ltd, Nigeria Redington Egypt Ltd, Egypt Redington Kenya Ltd, Kenya Redington Middle East LLC, Dubai Redington Qatar WLL, Qatar Redington Arabia Limited, Saudi Arabia Redington Africa Distribution FZE. Dubai Redington Bahrain SPC, Bahrain Redington Distribution Pte Ltd, Singapore * Redington Bangladesh Limited, Bangladesh Redington Qatar Distribution WLL, Qatar Redington Kenya (EPZ) Ltd., Kenya Redington Limited, Ghana Redington Uganda Limited, Uganda Africa Joint Technical Services, Libya RGF Private Trust Company Limited, Cayman Islands Redington Gulf FZE Co, Iraq Cadensworth United Arab Emirates LLC, Dubai

Subsidiary Companies	Redington Morocco Limited, Morocco Redington Tanzania Ltd., Tanzania Redington SL Pvt Limted, Sri lanka Redington Angola ADA, Angola Redington Turkey Holdings S.A.R.L, Luxembourg Arena Bilgisayar Sanayi Ve Ticaret Anonim Sirketi, Turkey# Arena International FZE, UAE Ensure IT Services (PTY) Limited, South Africa (Formerly known as Redington IT Services (PTY) Limited)
Subsidiary Companies	**Formed during the year** ProConnect Supply Chain Solutions Limited, India* Ensure Gulf FZE, Dubai Ensure Technical Service (PTY) Limited, South Africa Ensure Middle East Trading LLC,UAE Ensure Technical Services Kenya Limited, Kenya Ensure Technical Services Tanzania Limited, Tanzania Ensure Services Uganda Limited, Uganda Ensure Solutions Nigeria Limited, Nigeria Redington Rwanda Limited, Rwanda Redington Kazakhstan LLP, Kazakhstan Republic Sensonet Teknoloji Elelektronik Ve Bilisim Hizmetlen Sanayi- Ve Ticaret Limited Sirketi, Turkey
Associate Subsidiary of Associate	Redington (India) Investments Limited, India* Currents Technology Retail (India) Limited, India*

* Represents related parties with whom transactions have taken place during the year.

\# As Redington Turkey Holdings S.A.R.L. has effective control over the composition of Board of directors, Arena Bilgisayar Sanayi Ve Ticaret Anonim Sirketi is considered as subsidiary.

Related Parties have been identified by the management.

3) Nature of Transactions

₹ in Lakhs

Nature of Transactions	31-Mar-2013	31-Mar-2012
	Party Where Control Exists	Party Where Control Exists
Redington Employees Share Purchase Trust		
Loan re-paid	Nil	4.50
Dividend Paid	0.03	0.54

₹ in Lakhs

Nature of Transactions	31-Mar-2013	31-Mar-2012
	Parties having Significant Influence	Parties having Significant Influence
Redington (Mauritius) Limited		
Dividend Paid	336.11	924.30
Synnex Mauritius Limited		
Dividend Paid	377.18	1,037.26

₹ in Lakhs

Nature of Transactions	31-Mar-2013	31-Mar-2012
	Subsidiary Companies	Subsidiary Companies
Cadensworth (India) Limited		
Sales/Service Charges - Expense	5.43	3.21
Sales/Service Charges - Income	246.69	6.76
Rent received	3.03	Nil
Trading Purchases	1,427.55	Nil
Interest Income	24.93	Nil
Sale of fixed assets - Income	7.22	Nil
Loan Granted	1,000.00	Nil
Loan outstanding at the year end	1,000.00	Nil
Amount Payable at the year end	541.94	0.07
Other Payable at the year end	0.25	Nil
Amount Receivable at the year end	30.57	2.09
Easyaccess Financial Services Limited		
Sales/Service Charges - Income	29.24	59.04
Sale of fixed assets - Income	NIL	32.50
Receivables Factored	59,724.80	196,126.40
Factoring Charges	566.48	2,105.27
Interest Income	400.19	750.02
Dividend Income	1,510.30	377.58
Rent received	0.12	0.12
Rent Paid	NIL	27.65
Amount Receivable at the year end	15.40	7.33
Loan Granted	31,000.00	40,750.00
Loan Repaid	31,000.00	40,750.00
Payment made on behalf of Channel Partners.	925.59	Nil
Nook Micro Distribution Limited		
Rent Paid	19.34	8.40
Rent received	3.72	12.69
Interest Income	135.40	25.69
Loan Granted	5,000.00	250.00
Loan Repaid	2,000.00	490.00
Equity Contribution	1,000.00	600.00
Sales/Service Charges - Income	3,138.70	1,481.61
Purchases	Nil	0.08
Purchase of Fixed asset	1.14	Nil
Sale of fixed assets - Income	13.81	Nil
Sales/Service Charges - Expense	3.98	Nil
Other Payable at the year end	3.58	Nil
Amount Receivable at the year end	76.09	132.63
Other receivable at the year end	6.54	18.10
Loan outstanding at the year end	3,000.00	Nil
Redington Distribution Pte Limited		
Trading Purchases	5,446.26	4,526.45
Sales/Service Charges - Income	556.52	674.52
Dividend Income	626.86	191.27
Trade Mark License Fees	Nil	97.85

Amount Receivable at the year end	158.54	246.47
Amount Payable at the year end	253.39	136.13
Corporate Guarantees at the year end	8,146.50	13,481.88
Redington International (Mauritius) Limited		
Equity Contribution	5,413.75	12,142.80
Interest Income	71.89	203.98
Loan Granted	1,180.92	27,007.42
Loan repaid	13,189.98	14,998.35
Amount Receivable at the year end	Nil	109.99
Loan outstanding at the year end	Nil	12,009.07
Corporate Guarantees at the year end	48,879.00	45,787.50
ProConnect Supply Chain Solutions Limited (Refer note below)		
Sales/Service Charges- Income	25.34	Nil
Interest Expenses	1.33	Nil
Sales/Service Charges - Expense	16.51	Nil
Interest Income	27.01	Nil
Rent received	86.33	Nil
Warehouse/Product handling charges - Expenses	2,384.54	Nil
Sale of fixed assets - Income	0.22	Nil
Sale consideration under Business transfer	228.47	Nil
Loan Granted	2,185.00	Nil
Loan repaid	1,780.00	Nil
Equity Contribution	455.00	Nil
Loan outstanding at the year end	405.00	Nil
Amount Receivable at the year end	154.93	Nil
Amount Payable at the year end (Net)	665.24	Nil

Nature of Transactions	31-Mar-2013	31-Mar-2012
	Associate Companies	Associate Companies
Redington (India) Investments Limited		
Sales/Service Charges – Income	0.30	0.10
Interest Income	0.07	Nil
Loan Granted	5.00	Nil
Loan outstanding at the year end	5.00	Nil
Amount Receivable at the year end (Net)	0.06	0.10
	Subsidiary of Associate	Subsidiary of Associate
Currents Technology Retail (India) Limited		
Sales/Service Charges – Income	1,939.86	515.58
Interest Income	34.61	Nil
Loan Granted	1,500.00	Nil
Loan repaid	300.00	Nil

Loan outstanding at the year end	1,200.00	Nil
Amount receivable at the year end	299.03	307.96
Other receivable at the year end	10.04	0.67

Pursuant to the approval of the shareholders through postal ballot in September 2012, a Business Transfer Agreement (BTA) was entered into by the Company with ProConnect Supply Chains Solutions Limited ("ProConnect") on October 3, 2012. Consequently all the assets and liabilities pertaining to its SCM (Supply Chain Management) business have been transferred at a net purchase consideration of ₹ 228.47 Lakhs on a Slump sale basis on October 1, 2012, on which date ProConnect commenced its operations.

29. Managerial remuneration

₹ in Lakhs

Particulars	31-Mar-2013		31-Mar-2012	
(a) Computation of net profit under section 349 of the Companies Act, 1956				
Profit before Tax		24,894.03		23,329.21
Add:				
Whole-Time Director Remuneration	40.00		40.00	
Directors' Sitting Fees	5.52		5.80	
Directors' Commission	61.97		50.00	
Loss on Disposal of Fixed Assets (Net)	2.68		-	
Provision for Doubtful Receivables	998.53	1,108.70	1,013.37	1,109.17
		26,002.73		24,438.38
Less: Profit on Disposal of Fixed Assets (Net)	-		8.03	
Receivable written off against previous year's provision and not debited to Statement of Profit and Loss	1,025.80	1,025.80	561.93	569.96
		24,976.93		**23,868.42**
Commission @ 1% there on		**249.77**		**238.68**
Restricted to		**61.97**		**50.00**
(b) Remuneration to Whole-Time Director*				
1) Salaries & Bonus		36.16		36.76
2) Contribution to Provident Fund		1.44		1.44
3) Perquisites		2.40		1.80
Total		**40.00**		**40.00**
(c) Remuneration to Non-Whole-Time Directors				
Sitting Fees		5.52		5.80
Commission		61.97		50.00
Total		**67.49**		**55.80**

*Excludes gratuity & compensated absences since valuation is done at the company level.

The re-appointment and remuneration of the Whole-time Director for the month of March 2013 is subject to approval at the ensuing Annual General Meeting.

The Board of Directors on their meeting held on May 22, 2013 has elevated Mr. Raj Shankar, Deputy Managing Director as the Joint Managing Director of the company.

(d) Remuneration drawn by the Managing Director and Deputy Managing Director from wholly owned overseas subsidiary

₹ in Lakhs

Particulars	31-Mar-2013	31-Mar-2012
Salary and Bonus	776.23	573.34
Contribution to provident fund	7.21	5.18
Total	**783.44**	**578.52**

30. CIF Value of Imports

₹ in Lakhs

Particulars	31-Mar-2013	31-Mar-2012
Trading Stocks	238,699.45	355,490.37

31. Expenditure in Foreign Currency

₹ in Lakhs

Particulars	2012-13	2011-12
Royalty (Cost of Software included under purchases)	1,673.93	1,754.70
Trade Mark License Fees	-	97.85
Travel	26.99	13.02
License fee	76.68	1.86
Training	3.89	Nil
Directors' sitting fee	0.15	0.60
Directors' Commission	11.32	11.90

32. Earnings in Foreign Exchange

₹ in Lakhs

Particulars	2012-13	2011-12
Rebates	16,980.66	13,907.82
Warranty claims	1,819.36	2,025.16
Dividend from Overseas Subsidiaries	626.86	191.27
FOB value of exports	617.84	674.52
Others	10.92	6.62

33. Dividend remitted in Foreign Currency

Particulars	2012-13	2011-12
No. of non-resident shareholders	9	10
No. of Equity shares held (Face value of ₹ 2)	179,069,188	179,610,582
Amount remitted (₹ in Lakhs)	716.28	1,975.72
Financial Year to which it relates	2011-12	2010-11

34. Employee Stock Option Plan 2008

The Company follows the intrinsic value method of accounting for employee stock options. No compensation costs have been recognized in these accounts as the options have been granted at the prevailing market prices.

Particulars	Grant I	Grant II	Grant III	Grant IV	Grant V
Date of Grant	29-Feb-08	25-Jul-08	28-Jan-09	22-May-09	5-Dec-11
Exercise Price (₹)*	348.05	319.90	130.00	165.00	396.50
Vesting commences on	28-Feb-09	24-Jul-09	27-Jan-10	21-May-10	4-Dec-12
Options granted	2,335,973	11,000	276,143	25,000	173,212
Options lapsed	503,889	4,000	-	-	15,875
Options vested	1,832,084	7,000	276,143	25,000	77,931
Options exercised at the beginning of the year	1,598,750	6,250	226,143	18,750	-
Options exercised during the year	57,625	-	50,000	6,250	1,000
Total options outstanding and not exercised as on March 31, 2013	175,709	750	-	-	156,337

* Out of the total grant of options in 2008, 1,959,830 options were repriced at ₹ 130/- on January 28, 2009 and 75,000 options were repriced 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 5, 2011
No. of options	11,000	276,143	25,000	173,212

The fair value of options based on the valuation of the independent valuer as of the respective dates of grant are given below:

Grant Date	29-Feb-08	Repriced on 28-Jan-09	Repriced on 22-May-09	25-Jul-08	Repriced on 28-Jan-09	28-Jan-09	22-May-09	5-Dec-11
Fair Value	171.33	25.56	33.04	159.71	23.77	47.46	79.82	171.72

The impact on the profit of the Company as at the year end and the basic and diluted earnings per share, had the Company followed the fair value method of accounting for stock options is set out below:

₹ in Lakhs

Particulars	2012-13	2011-12
Profit after tax as per statement of Profit and Loss (a)	17,137.36	15,681.21
Add: Employee Stock Compensation Expense as per Intrinsic Value Method	NIL	NIL
Less: Employee Stock Compensation Expense as per Fair Value Method	109.45	37.69
Profit after tax recomputed for recognition of employee stock compensation expense under fair value method (b)	17,027.91	15,643.52
Earnings per share based on earnings as per (a) above		
- Basic	4.29	3.94
- Diluted	4.29	3.93
Earnings per share had fair value method been employed for accounting of employee stock options as per (b) above		
- Basic	4.27	3.93
- Diluted	4.26	3.92

35. The figures of the previous year have been regrouped wherever necessary to conform to the classification of the current year.

For and on behalf of the Board of Directors

R Srinivasan
Managing Director

Raj Shankar
Joint Managing Director

M Raghunandan
Whole-Time Director

S V Krishnan
Chief Financial Officer

M Muthukumarasamy
Company Secretary

Place : Singapore
Date : May 22, 2013

consolidated financial statements

Independent Auditors' Report to the Board of Directors of Redington (India) Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **REDINGTON (INDIA) LIMITED** (the "Company") and its subsidiaries (the Company and its subsidiaries constitute "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2013, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.The Consolidated Financial Statements include investments in Associates accounted on the equity method in accordance with Accounting Standard 23 (Accounting for Investments in Associates in Consolidated Financial Statements) as notified under the Companies (Accounting Standards) Rules, 2006.

Management's Responsibility for the Consolidated Financial Statements

The Company's Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on the financial statements of the subsidiaries and associate referred to below in the Other Matter paragraph, the aforesaid consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

(a) **in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2013;**
(b) **in the case of the Consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and**
(c) **in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.**

Other Matter

We did not audit the financial statements of certain subsidiaries, whose financial statements reflect total assets (net) of ₹ 320,529.15 Lakhs as at March 31, 2013, total revenues of ₹ 1,378,495.44 Lakhs and net cash flows amounting to ₹ 4,402.03 Lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of ₹ 3.12 Lakhs for the year ended March 31, 2013, as considered in the consolidated financial statements, in respect of an associate, 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, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, is based solely on the reports of the other auditors.

Our opinion is not qualified in respect of this matter.

For **Deloitte Haskins and Sells**
Chartered Accountants
Firm Registration No. 008072S

B Ramaratnam
Partner
Membership No. 21209

CHENNAI, May 22, 2013

Consolidated Balance Sheet as at March 31, 2013

(₹ in Lakhs)

Particulars	Note No	As at March 31, 2013	As at March 31,2012
A EQUITY AND LIABILITIES			
1 **Shareholders' funds**			
Share capital	3	7,983.05	7,971.56
Reserves and surplus	4	156,085.10	124,276.77
		164,068.15	132,248.33
2 **Minority Interest**		15,634.48	9,487.61
3 **Non-current liabilities**			
Long-term borrowings	5	38,552.35	51,207.50
Deferred tax liabilities (Net)	14	-	0.50
Other Long-term liabilities	6	689.50	794.94
Long-term provisions	7	2,987.83	2,347.88
		42,229.68	54,350.82
4 **Current liabilities**			
Short-term borrowings	8	160,434.12	154,817.59
Trade payables	9	203,480.07	160,720.52
Other Current liabilities	10	63,564.49	36,351.59
Short-term provisions	11	2,956.50	3,129.08
		430,435.18	355,018.78
TOTAL		**652,367.49**	**551,105.54**
B ASSETS			
1 **Non-current assets**			
Fixed assets	12		
(i) Tangible assets		27,599.92	15,924.83
(ii) Intangible assets		821.27	1,033.70
(iii) Capital work-in-progress		1,530.30	868.51
Goodwill on consolidation		6,573.00	6,573.00
Non-current investments	13	-	3.12
Deferred tax assets (net)	14	854.06	808.07
Long-term loans and advances	15	7,606.89	4,413.17
Long-term receivables under financing activity	16	899.04	2,635.83
		45,884.48	**32,260.23**
2 **Current assets**			
Inventories	17	195,316.91	169,999.63
Trade receivables	18	301,671.65	221,901.87
Cash and cash equivalents	19	48,209.48	48,343.79
Short-term loans and advances	20	25,947.50	23,940.26
Short-term receivable under financing activity	21	35,337.47	54,659.76
		606,483.01	**518,845.31**
TOTAL		**652,367.49**	**551,105.54**

See accompanying notes forming part of financial statements

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

B Ramaratnam
Partner

Place : Chennai
Date : May 22, 2013

For and on behalf of the Board of Directors

R Srinivasan
Managing Director

Raj Shankar
Joint Managing Director

M Raghunandan
Whole-Time Director

S V Krishnan
Chief Financial Officer

M Muthukumarasamy
Company Secretary

Place : Singapore
Date : May 22, 2013

Consolidated statement of Profit and Loss for the year ended March 31, 2013

(₹ in Lakhs)

Particulars	Note No.	Year ended March 31, 2013	Year ended March 31, 2012
Income:			
Turnover / Revenue from operations	22	2,416,466.48	2,119,298.73
Other income	23	4,571.52	2,903.41
Total Revenue		**2,421,038.00**	**2,122,202.14**
Expenses:			
Purchases of traded goods		2,299,122.01	2,005,375.92
Changes in inventories of traded goods		(25,317.28)	(11,901.36)
Employee benefits	24	34,815.94	28,037.25
Finance costs	25	18,265.45	15,204.27
Depreciation & Amortisation	12	3,786.96	3,103.07
Other expenses	26	44,123.89	37,350.18
Total expenses		**2,374,796.97**	**2,077,169.33**
Profit before tax		**46,241.03**	**45,032.81**
Tax expense:			
Current tax		11,553.13	11,313.27
Deferred tax		(46.31)	(184.32)
Profit after Tax		34,734.21	33,903.86
Share of Loss from Associate		3.12	1.88
Minority interest		2,420.11	4,627.90
Profit for the Year		32,310.98	29,274.08
Earnings per equity share: (Face value ₹ 2 each)	27		
Basic (in ₹)		**8.10**	**7.35**
Diluted (in ₹)		**8.08**	**7.34**
See accompanying notes forming part of financial statements			

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

B Ramaratnam
Partner

Place : Chennai
Date : May 22, 2013

For and on behalf of the Board of Directors

R Srinivasan
Managing Director

Raj Shankar
Joint Managing Director

M Raghunandan
Whole-Time Director

S V Krishnan
Chief Financial Officer

M Muthukumarasamy
Company Secretary

Place : Singapore
Date : May 22, 2013

Consolidated Cash Flow Statement for the year ended March 31, 2013

(₹ in Lakhs)

Particulars	Year Ended March 31, 2013		Year Ended March 31, 2012	
A. Cash flow from operating activities:				
Profit before tax	46,241.03		45,032.81	
Adjustments for:				
- Depreciation and amortisation	3,786.96		3,103.07	
- Finance costs	18,265.45		15,204.27	
- Interest Income	(1,664.98)		(1,576.19)	
- Reversal of provision for standard assets	(352.00)		-	
- Reversal of Provsion for expenses no longer required	(35.50)		-	
- Provision for doubtful receivables	1,443.57		2,244.97	
- Bad debts written off	28.38		32.86	
- Dividend income from short term investments	(257.18)		(68.30)	
- Provision for compensated absences	424.16		104.09	
- Provision for gratuity	926.48		752.57	
- Rent equalisation reserve	29.31		12.56	
- Provision for standard /sub-standard assets	45.00		185.00	
- Unrealised foreign exchange (net)	1,153.48		849.86	
- Loss / (Profit) on sale of fixed assets	(18.42)		18.75	
Operating Profit before working capital changes	**70,015.74**		**65,896.32**	
Increase in Trade receivables	(81,241.73)		(37,150.47)	
Increase in Long-term loans and advances	(1,527.69)		(2,127.70)	
Decrease in Loans & advances	16,523.48		8,096.48	
Increase in Inventories	(25,317.28)		(11,672.13)	
(Decrease) / Increase in Non-Current Liabilities	(105.94)		109.36	
Increase in Other Current Liabilities	10,433.94		9,141.03	
Increase in Trade Payables	42,759.55		12,300.89	
Decrease in Short-term provisions	(1,225.66)		(6,181.43)	
Increase in Long-term provisions	639.95		1,519.55	
Cash generated from operations	**30,954.36**		**39,931.90**	
Interest Paid by Financial Services Subsidiary	(1,443.87)		(1,575.24)	
Direct taxes paid	(13,037.30)		(12,514.64)	
Net Cash generated from operating activities		**16,473.19**		**25,842.02**
B. Cash flow from investing activities:				
Capital Expenditure (including capital Advancement)	(15,523.09)		(5,212.11)	
Proceeds from sale of fixed assets	263.95		123.12	
Interest received	2,456.56		1,296.48	
Dividend income from short term investments	257.18		68.30	
Deposits placed	(2,423.62)		(22,182.08)	
Deposits settled	22,183.18		1,397.17	
Consideration paid for acquisition of Minority interest in a step-down subsidiary by a subsidiary	-		(59,552.91)	
Net Cash generated from /(used in) investing activities		**7,214.16**		**(84,062.03)**
C. Cash flow from financing activities:				
Proceeds from exercise of Employee Stock Option	154.20		591.07	
Proceeds from issue of share capital by an overseas step-down subsidiary	-		83.42	
Proceeds from long term borrowings	-		51,207.50	
Proceeds from / (Repayment of) short term borrowings (net)	5,616.53		(4,151.28)	
Dividend paid by step-down subsidiary to minority shareholders	(380.01)		(1,571.79)	
Dividends Paid (including dividend tax)	(1,610.09)		(5,025.20)	
Finance costs paid	(15,662.30)		(12,961.55)	
Net Cash (used in)/generated from financing activities		**(11,881.67)**		**28,172.17**
Net increase / (decrease) in cash and cash equivalents		**11,805.68**		**(30,047.84)**
Cash and cash equivalents at the beginning of the year		**26,160.61**		**46,661.97**
Add: Currency Translation Adjustment		7,819.57		9,555.05
Less: Opening cash and cash equivalents relating to erstwhile subsidiary		-		(8.57)
Cash and cash equivalents at the end of the year		**45,785.86**		**26,160.61**
Reconciliation of Cash and cash equivalents				
Cash and cash equivalents at the end of the year as per Balance Sheet		**48,209.48**		**48,343.79**
Less: Bank Deposits original maturity for more than three months treated as investing activities		1,640.15		20,919.39
Less: Earmarked Balance -Dividend Account		4.14		4.57
Less: Balance held as Margin money		779.33		1,259.22
Cash and cash equivalents at the end of the year		**45,785.86**		**26,160.61**
See accompanying notes forming part of financial statements				

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of the Board of Directors

B Ramaratnam
Partner

R Srinivasan
Managing Director

Raj Shankar
Joint Managing Director

M Raghunandan
Whole-Time Director

S V Krishnan
Chief Financial Officer

M Muthukumarasamy
Company Secretary

Place : Chennai
Date : May 22, 2013

Place : Singapore
Date : May 22, 2013

Notes to financial statements for the year ended March 31, 2013

1. Company Overview

Redington (India) Limited (the "Company"), is a public limited Company incorporated and domiciled in India under the provisions of the Companies Act, 1956. The Company's stocks are listed on the bourses of BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The Company, its subsidiaries and step-down subsidiaries are in the business of distribution and after sales service of Information Technology and other products, supply chain business and financial services. The Company and its subsidiaries operate in India, South East Asia, Middle East, Africa and Turkey.

2. Basis of Preparation of financial statements and Consolidation

The consolidated financial statements have been prepared under the historical cost convention on accrual basis and in accordance with Generally Accepted Accounting Principles in India ("Indian GAAP"). These financial statements comply with the relevant provisions of the Companies Act, 1956 ("the Act") and the Accounting Standards notified by the Central Government under Companies (Accounting Standard) Rules, 2006/Accounting standards issued by The Institute of Chartered Accountants of India. The accounting policies adopted in the preparation of financial statements are consistent with the previous year.

The consolidated financial statements encompass financials of the Company, its subsidiaries (collectively called "the Group"), for the year ended March 31, 2013. These consolidated financial statements have been prepared in accordance with **Accounting Standard 21, "Consolidated Financial Statements"**. These Consolidated financials also includes results of an Associate accounted for using Equity method as specified in **Accounting Standard 23 "Accounting for investments in Associates in Consolidated financial statements"**.

A. Direct Subsidiaries

Name of the Company	Country of incorporation	Ownership Interest % (As at March 31, 2013 and 2012)
Nook Micro Distribution Limited	India	100
Redington International Mauritius Limited (RIML)	Mauritius	100
Redington Distribution Pte. Limited (RDPL)	Singapore	100
Cadensworth (India) Limited	India	100
Easyaccess Financial Services Limited	India	100

Subsidiary incorporated during the year		
ProConnect Supply Chain Solutions Limited	India	100

Pursuant to the approval of the shareholders through a postal ballot in September 2012, a Business Transfer Agreement (BTA) was entered into by the Company with ProConnect Supply Chains Solutions Limited ("ProConnect") on October 3, 2012. Consequently all assets and liabilities pertaining to its SCM (Supply Chain Management) business have been transferred at a net purchase consideration of ₹ 228.47 Lakhs on Slump sale basis on October 1, 2012, on which date ProConnect commenced its operations.

B. Step-down Subsidiaries

Name of the Company	Country of incorporation	Ownership Interest %	Beneficial Interest %
		As at March 31, 2013 and 2012	
Redington International Holdings Limited (RIHL)*	Cayman Islands	100	100
Redington Gulf FZE*	Dubai , UAE	100	100
Redington Egypt Ltd	Egypt	100	100

Name of the Company	Country of incorporation	Ownership Interest %	Beneficial Interest %
Redington Nigeria Ltd	Nigeria	100	100
Redington Gulf & Co. LLC	Oman	70	100
Redington Kenya Ltd	Kenya	100	100
Cadensworth FZE	Dubai, UAE	100	100
Redington Middle East LLC ^	Dubai	49	100
Redington Arabia Limited	Saudi Arabia	100	100
Redington Africa Distribution FZE	Dubai, UAE	100	100
Redington Qatar WLL ^	Qatar	49	100
Redington Bahrain SPC	Bahrain	100	100
Redington Qatar distribution WLL ^	Qatar	49	100
Redington Limited	Ghana	100	100
Redington Kenya EPZ Ltd	Kenya	100	100
Africa Joint technical Services	Libya	65	100
Redington Uganda Ltd	Uganda	100	100
RGF Private Trust Company Limited**	Cayman Islands	100	100
Cadensworth UAE LLC ^	Dubai	49	100
Redington Tanzania Limited	Tanzania	100	100
Redington Morocco Limited	Morocco	100	100
Redington Angola Limited**	Angola	100	100
Ensure IT services PTY LTD-(formerly known as Redington IT services(PTY) LTD)	Johannesburg	100	100
Redington Gulf FZE**	Iraq	100	100
Redington Turkey Holdings S.A.R.L*	Luxembourg	100	100
Arena Bilgisayar Sanayi Ve Ticaret Anonim Şirketi#	Turkey	49.40	49.40
Arena International FZE	Jebel Ali, Dubai, UAE	49.40	49.40
Redington Bangladesh Limited	Bangladesh	99	100
Redington SL (Private) Ltd	Sri Lanka	100	100

Step-down subsidiaries incorporated during the year

Name of the Company	Country of incorporation	Ownership Interest %	Beneficial Interest %
Redington Rwanda Limited	Rwanda	100	100
Redington Kazakhstan LLP	Kazakhstan Republic	100	100
Ensure Gulf FZE ^	Jebel Ali, Dubai	49	100
Ensure Technical Services (PTY) LTD**	South Africa	100	100
Ensure Middle East Trading LLC^	UAE	49	100
Sensonet Teknoloji Elelektronık Ve Bılısım Hızmetlerı Sanayı Ve Tıcaret Lımıted Sırketı	Turkey	49.40	49.40
Ensure Solutions Nigeria Limited**	Nigeria	99.90	100
Ensure Technical Services Kenya Limited**	Kenya	100	100
Ensure Services Uganda Limited**	Uganda	99	100
Ensure Technical Services Tanzania Limited**	Tanzania	99	100

^ Although the percentage of holding is less than 50, Redington Gulf FZE has the power to govern the strategic operating and financial policies and exercise control. Consequently, the above-mentioned entities are considered as subsidiaries and consolidated with the Group's financial statements.

* Pursuant to the communication received from Reserve Bank of India (RBI), wherein RBI has directed the Company that only the direct joint venture/wholly owned subsidiary can be a special purpose vehicle (SPV) and the subsequent downstream subsidiaries should be operating companies, it is required to merge Redington International Holdings Limited (RIHL) with Redington International Mauritius Limited(RIML). For this purpose during the year RIHL has transferred its investment in Redington Gulf FZE (RGF,Dubai) and Redington Turkey Holdings S.A.R.L (RTHS) to RIML and RGF respectively.

** Yet to commence operations.

As Redington Turkey Holdings S.A.R.L, Luxembourg has effective control over the composition of Arena Bilgisayar's Board of Directors, Arena Bilgisayar is considered as a subsidiary of RIML for the purpose of preparation of consolidated financial statements.

Subsequent to the Balance Sheet date, the following overseas step-down subsidiaries were incorporated with 100% beneficial interest

i) Ensure Supply Chains Logistics LLC, Dubai
ii) Ensure Ghana Limited, Ghana

C. (i) Associate of the Company

Name of the Company	Country of incorporation	Ownership/Beneficial Interest % (As at March 31, 2013 and 2012)
Redington (India) Investments Limited	India	47.62

(ii) Subsidiary of Associate

Name of the Company	Country of incorporation	Ownership/Beneficial Interest % (As at March 31, 2013 and 2012)
Currents Technology Retail(India) Limited	India	47.62

Basis and Principles of Consolidation:

The following have been considered in preparing the consolidated financial statements:

a. Financial Statements of Redington (India) Limited and Easyaccess Financial Services Limited are prepared in accordance with Generally Accepted Accounting Principles in India (Indian GAAP) under historical cost convention, on accrual basis and audited by Deloitte Haskins & Sells, Chennai.
b. Financial statements of Cadensworth (India) Limited and Nook Micro Distribution Limited are prepared in accordance with Generally Accepted Accounting Principles in India (Indian GAAP) under historical cost convention, on accrual basis and audited by M/s. A S Varadharajan & Co, Chennai.
c. Financial statements of ProConnect Supply Chain Solutions Limited are prepared in accordance with Generally Accepted Accounting Principles in India (Indian GAAP) under historical cost convention, on accrual basis and audited by B S R and Associates, Chennai.
d. Consolidated financial statements of Redington International Mauritius Limited are prepared in accordance with International Financial Reporting Standards (IFRS) and audited by Deloitte & Touche (M.E.), Dubai.
e. Consolidated financial statements of Redington Distribution Pte. Limited are prepared under Singapore Financial Reporting Standards and audited by Ernst & Young, Singapore.

Necessary adjustments have been made in the consolidated financial statements to conform to Indian GAAP wherever there are significant differences between Indian GAAP / Singapore Financial Reporting Standards / International Financial Reporting Standards.

The audited financial statements of the Company and all its subsidiaries and step-down subsidiaries used in the consolidation are drawn up to the same reporting date as that of the Company.

The consolidated financial statements have been prepared using uniform Accounting Policies and on the following basis:

a) The financial information of the Company and its subsidiaries have been combined on a line-by-line basis of assets, liabilities, income and expenses. Inter Company balances and transactions and material unrealized profits or losses have been eliminated.

The difference between the cost of investment in the subsidiaries and the Company's share of Net assets at the time of acquisition of shares in the subsidiaries is recognized in the consolidated financial statements as Goodwill or Capital Reserve as the case may be.

2.1. Summary of Significant Accounting Policies

a. Use of Estimates

The preparation of the financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and the disclosures relating to contingent assets and liabilities as on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Actual results could differ from these estimates and differences between the actual results and estimates are recognized in the year where the results are known or materialized.

b. Fixed assets

Tangible assets

Tangible Assets are recorded at cost less accumulated depreciation. Cost comprises of purchase price and other directly attributable cost of bringing the assets to its working condition for the intended use. For the purpose of consolidation, additions to fixed assets of overseas subsidiaries have been converted at average rate and closing balance at closing rate.

Gains or losses arising from de-recognition of tangible fixed assets are measured as the difference between the net proceeds from disposal and carrying amount of the asset and are recognized in the Statement of Profit and Loss.

Depreciation on Tangible assets:

1. Depreciation on tangible assets is calculated on a straight-line basis over the estimated useful lives, as determined by the Management as follows:

Class of Asset	Rates %	Years
Buildings	2.50–5.00	20-40
Plant & Equipment	10.00–20.00	05-10
Furniture & Fixtures	10.00–25.00	04-10
Office Equipments	12.50–20.00	05-08
Computers	20.00–33.33	03-05
Vehicles	10.00–33.33	03-10

2. Depreciation on additions to fixed assets is provided from the month of addition
3. Expenditure on Interiors on premises taken on lease (included in furniture & fittings) are capitalized and depreciated over a period of five years/over the period of lease.

Intangible assets:

Intangible assets are recorded at cost less amortization. For the purpose of consolidation of overseas subsidiaries, additions have been converted at average rate and closing balance at closing rate.

Intangible assets are amortized over the estimated useful economic life.

Class of Asset	Rates %	Years
Software	20.00-33.33	03-05
Non-compete fees	20.00-33.33	03-05

c. Impairment of tangible and intangible assets

The Group determines periodically whether there is any indication of impairment of the carrying amount of its assets. The recoverable amount is determined for each individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Group of assets. The recoverable amounts of such assets are estimated, if any indication exists and impairment loss is recognized wherever the carrying amount of the assets exceeds its recoverable amount. Where it is not possible to estimate the recoverable amount of an individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is estimated.

d. Leases

Leases are classified as finance or operating leases depending upon the terms of the lease agreements.

e. Inventories

Inventories are stated at lower of cost and net realizable value. Costs include cost of purchase and other costs incurred in bringing the inventories to the warehouse, net of discounts and rebates and are determined on weighted average basis. With respect to step down subsidiaries of Redington International Mauritius Limited, inventory of which constitutes 56% of the total inventory of the Group, cost is determined on FIFO method. However the impact of the same in the consolidated financials is not material.

f. Foreign Currency Transactions

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

All monetary assets and liabilities in foreign currency are restated at the end of the accounting period at the prevailing exchange rates as on the Balance Sheet date and exchange gain/loss is suitably dealt with in the Statement of Profit and Loss.

The premium or discount arising at the inception of forward exchange contracts entered into to hedge an existing asset/liability, is amortized as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the Statement of Profit and Loss in the reporting period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognized as income or as an expense for the year. The assets and liabilities of foreign subsidiaries whose operations are of non-integral nature are translated at the closing exchange rates, the items of income and expense of foreign subsidiaries are translated at average exchange rate and resulting exchange differences are debited / credited to Foreign Currency Translation Reserve.

g. Warranties

The Original Equipment Manufacturer generally warrants the products distributed by the Group.

h. Revenue Recognition

1. Revenue from Sales is recognized when the ownership and title is transferred which generally coincides with delivery. Revenue is stated net of discounts, rebates and sales tax.
2. Service Income is recognized when services are rendered. Income from Warranty and Maintenance Contracts is recognized as per the terms of contract.
3. Revenue from supplier schemes is accrued, based on the fulfillment of terms of such programs.
4. (a) Interest Income on loans and other financial services of a subsidiary involved in the business of Financial services is recognized on accrual basis over its tenor.
   (b) Income including interest or any other charges on Non-performing Assets is recognized only when it is actually realized as per Prudential Norms. Any such income recognized before the asset became non-performing and remaining unrealized, is reversed as per the prudential norms stipulated by RBI for income recognition.

i. Other Income

1. Lease income is accrued over the period of lease.
2. Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income on overdue receivables is recognized only when there is a certainty of receipt.

j. Employee Benefits

(i) Short Term Employee Benefits

Short term employee benefits including accumulated short term compensated absences determined as per Company's policy/ scheme are recognized at the Balance Sheet date as expense based on expected obligation on an undiscounted basis.

(ii) Long Term Employee Benefits

Defined Benefit Plan

The liability for Gratuity and long term compensated absences both unfunded is provided based on actuarial valuation as at the Balance Sheet date, using the Projected Unit Credit Method. Actuarial gains and losses are recognized in the Statement of Profit and Loss for the period in which they occur. The retirement benefit obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost. With respect to overseas subsidiaries, provision for employee's end of service indemnity is made in accordance with the laws as applicable in respective countries.

Defined Contribution Plan

Contribution under statutory laws relating to employee benefits, including Provident Fund and ESI, is made in accordance with the respective rules and is charged to Statement of Profit and Loss.

k. Employee share based payments

Stock options granted to the employees under the Employee Stock Option Scheme are evaluated in accordance with the accounting treatment prescribed by the Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999 issued by Securities and Exchange Board of India and the guidance note on Employee share based payments issued by the Institute of Chartered Accountants of India. The Company follows the intrinsic value method of accounting for the options and accordingly the excess of market value of the stock options as on the date of grant over the exercise price of the options, if any, is recognized as deferred employee compensation and is charged to the Statement of Profit and Loss on graded vesting basis over the vesting period of options.

l. Current and deferred tax

i. Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit for the year.
ii. Current tax is determined in accordance with the tax laws of respective countries, on the income for the year chargeable to tax.
iii. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences between the carrying values of the assets and liabilities and their respective tax bases using enacted or substantively enacted tax rates at the reporting date. Deferred tax assets, subject to consideration of prudence, are recognized and carried forward to the extent they can be realized.

m. Provisions and Contingencies

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made. Contingent liability is disclosed for

(i) Possible obligation which will be confirmed only by 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 will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognized in the financial statements.

n. Segment Reporting

The generally accepted accounting principles used in the preparation of the financial statements are applied to record revenue and expenditure in individual segments. Segment revenue and segment results include transfers between segments and such transfers are eliminated in the consolidation of the segments. Expenses that are directly identifiable to segments are considered for determining the segment result. Segment assets and liabilities include those directly identifiable with the respective segments.

o. Cash and cash equivalents;

Cash comprises 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.

p. Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) 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 could have been issued on the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

q. Derivative Instruments and Hedge Accounting

The Group 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 Group does not hold derivative financial instruments for speculative purposes. The Group has applied to all such contracts outstanding as on March 31, 2013 the hedge accounting principles as set out in Accounting Standard 30 "Financial Instruments Recognition and Measurement" (AS 30) by marking them to market. Changes in the fair value of the contracts that are designated and effective hedges of future cash flows are recognized directly in Hedge Accounting Reserve.

3. Share Capital

i. The Company has only one class of shares referred to as equity shares having a par value of ₹ 2/-

₹ in Lakhs

Particulars	31-Mar-2013	31-Mar-2012
Authorized shares		
425,000,000 (Previous year 425,000,000) Equity Shares of ₹ 2/- each	8,500.00	8,500.00
Issued, Subscribed and fully paid up		
399,152,570 (Previous Year 398,578,195) Equity Shares of ₹ 2/- each fully paid up	7,983.05	7,971.56

ii. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:

Particulars	31-Mar-2013		31-Mar-2012	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
At the beginning of the period	398,578,195	7,971.56	396,330,055	7,926.60
Allotted during the period under ESOP, 2008	574,375	11.49	2,248,140	44.96
Outstanding at the end of the period	**399,152,570**	**7,983.05**	**398,578,195**	**7,971.56**

iii. 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 the year ended March 31, 2013 a dividend of ₹ 0.40 per equity share has been proposed by the Board of Directors (Previous year ₹ 0.40 per share). The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting.

iv. Shares held by shareholders holding more than 5%

Particulars	31-Mar-2013		31-Mar-2012	
	No. of shares	% of Share holding	No. of shares	% of Share holding
Redington (Mauritius) Limited	84,027,302	21.05	84,027,302	21.08
Synnex (Mauritius) Limited	94,295,940	23.62	94,295,940	23.66
Standard Chartered Private Equity (Mauritius) Limited	47,686,500	11.95	47,686,500	11.96
SBI Mutual Fund	20,409,218	5.11	17,830,381	4.47(<5%)

4. Reserves & Surplus

₹ in Lakhs

(a) Capital reserve	31-Mar-2013	31-Mar-2012
Balance as per last Balance sheet date	21.34	28,408.43
Less: Adjustment of goodwill arising on purchase of minority interest of step-down subsidiary by RIML	-	(28,387.09)
Balance at the end of the year	**21.34**	**21.34**

(b) Securities Premium Account	31-Mar-2013	31-Mar-2012
Balance as per last Balance sheet date	35,035.37	34,489.26
Add: Premium on shares issued on exercise of ESOP, 2008	142.71	546.11
Balance at the end of the year	**35,178.08**	**35,035.37**

(c) General Reserve	31-Mar-2013	31-Mar-2012
Balance as per last Balance sheet date	5,357.26	4,181.17
Add:Transfer from surplus in Statement of Profit and Loss	1,285.30	1,176.09
Balance at the end of the year	**6,642.56**	**5,357.26**

(d) Hedge Accounting Reserve	31-Mar-2013	31-Mar-2012
Balance as per last Balance sheet date	17.52	(2.09)
Add: Net movement during the year	(18.06)	19.61
Balance at the end of the year	**(0.54)**	**17.52**

(e) Surplus in the Statement of Profit and Loss	31-Mar-2013	31-Mar-2012
Balance as per last Balance sheet date	76,117.12	50,664.00
Profit for the year	32,310.98	29,274.08
Sub total	**108,428.10**	**79,938.08**
Less: Appropriations		
Proposed final equity dividend for the year	1,596.61	1,595.22
Dividend Distribution Tax	271.34	503.79
Dividend distribution tax credit on account of dividend received from Indian subsidiary	(245.00)	(61.25)
Dividend including Dividend distribution tax for previous year (Refer note below)	1.09	8.20
Transfer to general reserve	1,285.30	1,176.09
Transfer to statutory reserve	544.14	609.88
Transfer from employee share purchase reserve of a subsidiary	-	(10.97)
Balance at the end of the year	**104,974.62**	**76,117.12**

Note

Subsequent to the date of Balance Sheet as on March 31, 2012 and before the book closure date, 235,875 (Previous Year 641,310) equity shares were allotted under Employees Stock Option Plan 2008 and dividend of ₹ 0.94 Lakhs (Previous year ₹ 7.05 Lakhs) on these shares were paid. The total amount of ₹ 1.09 Lakhs (Previous year ₹ 8.20 Lakhs) including tax on dividend, have been appropriated from the opening balance of the Statement of Profit and Loss.

(f) Statutory reserves	31-Mar-2013	31-Mar-2012
Balance as per last Balance sheet date	1,413.60	803.72
Transfer from Surplus in the Statement of Profit and Loss*	544.14	609.88
Balance at the end of the year	**1,957.74**	**1,413.60**

* Refer note 30 below

(g) Foreign Currency Translation reserve	31-Mar-2013	31-Mar-2012
Balance as per last Balance sheet date	6,314.56	(949.69)
Movement during the year	996.74	7,264.25
Balance at the end of the year	**7,311.30**	**6,314.56**

Total reserves and surplus	156,085.10	124,276.77

5. Long term Borrowings (Secured)

₹ in Lakhs

Particulars	31-Mar-2013	31-Mar-2012
Loans from Banks	37,202.35	49,857.50
Loans from others	1,350.00	1,350.00
Total	**38,552.35**	**51,207.50**

6. Other Long term Liabilities

₹ in Lakhs

Particulars	31-Mar-2013	31-Mar-2012
Non- Compete Fee*	-	782.70
Others	689.50	12.24
Total	**689.50**	**794.94**

* One of the overseas subsidiaries of the Group signed a non-competition agreement with its Chief Executive Officer. In return, the subsidiary has committed to pay a non-compete fee to the chief executive on June 30, 2013. Hence the liability has been re-classified under other current liabilities.

7. Long Term Provisions

₹ in Lakhs

Particulars	Non Current	
	31-Mar-2013	31-Mar-2012
(a) Provision for employment benefits		
(i) Compensated Absences	241.16	203.67
(ii) Gratuity*	2,713.76	2,108.65
(b) Others		
(i) Provision for standard assets	3.60	23.00
(ii) Rent equalization reserve	29.31	12.56
Total	**2,987.83**	**2,347.88**

* In respect of the Company and its Indian subsidiaries, the obligation towards Gratuity fund is a Defined Benefit Plan.

Gratuity relating to the company and applicable subsidiaries

Details of actuarial valuation as at the year end is given below:

a. Movement

₹ in Lakhs

Particulars	2012-13	2011-12
Projected Benefit Obligation at the beginning of the year	**507.43**	**410.49**
Service cost	134.21	105.97
Interest Cost	36.54	29.50
Actuarial (gain) / loss	50.64	(2.07)
Benefits paid	(137.25)	(36.46)
Transfer of employees	64.83	-
Projected Benefit Obligation at the end of the year	**656.40**	**507.43**
Amount recognized in the Balance Sheet:		
Projected benefit obligation at the end of the year	656.40	507.43
Liability recognized in the Balance Sheet	**656.40**	**507.43**

Particulars		
Cost of the defined plan for the year:		
Current service cost	134.21	105.97
Interest on obligation	36.54	29.50
Net actuarial loss recognized in the year	50.64	(2.07)
Net cost recognized in the Statement of Profit and Loss	**221.39**	**133.40**

b. Assumptions for Gratuity/Compensated Absences:

Particulars	2012-13	2011-12
Discount Rate-(Based on Yield of GOI Securities)	7.5%	7.5%
Salary escalation rate	5%	5%
Attrition rate	3%	3%
Demographic assumptions–Mortality	IALM (2006-08) ULT	LIC 94-96 rates

The details of experience adjustments arising on account of plan liabilities are not available in the valuation report and hence are not furnished.

The amount provided for gratuity as per actuarial valuation has been arrived after considering future salary increase, inflation, seniority and promotion.

Gratuity relating to Redington International Mauritius Limited:

₹ in Lakhs

Particulars	2012-13	2011-12
Balance at the beginning of the year	1,629.47	1,076.69
Amount charged to the Statement of Profit and Loss	705.09	619.17
Amount paid during the year	(327.95)	(242.41)
Currency Translation Adjustment	110.23	176.02
Balance at the end of the year	**2,116.84**	**1,629.47**

8. Short-term borrowings

₹ in Lakhs

Particulars	31-Mar-2013	31-Mar-2012
Secured Loan from Banks		
– Repayable on demand	21,195.67	48,669.35
– Others	45,818.78	22,286.93
Secured - Term Loan from Banks	73,470.02	65,776.80
Unsecured Loan from Banks		
– Repayable on demand	-	157.86
– Others	19,949.65	17,926.65
Total	**160,434.12**	**154,817.59**

a. Loan from Banks are secured by pari-passu charge on fixed and current assets.
b. The Company placed Commercial Paper during the year. There are no amounts outstanding as at March 31, 2013 and the maximum amount outstanding any time during the year was ₹ 57,500 Lakhs (Previous Year ₹ 29,000 Lakhs).

9. Trade Payables

₹ in Lakhs

Particulars	31-Mar-2013	31-Mar-2012
Trade Payables*	199,951.69	156,795.55
Other Payables	3,528.38	3,924.97
Total	**203,480.07**	**160,720.52**

* Trade payables are dues in respect of goods purchased or services received (including from employees) in the normal course of business.

10. Other current liabilities

₹ in Lakhs

Particulars	31-Mar-2013	31-Mar-2012
Creditors for other liabilities	29,442.11	21,849.15
Interest accrued but not due on loans	2,556.57	734.46
Earmarked balances–Unclaimed Dividend account	4.14	4.57
Unearned revenue	996.69	835.09
Statutory liabilities	6,327.37	5,805.10
Advances/Deposits received from customers	6,378.23	6,006.00
Non-Compete Fee*	835.54	-
Current maturities of long term borrowings	16,021.45	-
Other liabilities	1,002.39	1,117.22
Total	**63,564.49**	**36,351.59**

* Refer note 6 above

11. Short-term provisions

₹ in Lakhs

Particulars	31-Mar-2013	31-Mar-2012
(a) Provision for employment benefits		
(i) Compensated absences	67.53	56.53
(ii) Gratuity	59.48	28.25
(b) Others		
(i) Provision for Taxation	772.14	468.29
(ii) Provision for standard assets *	144.40	477.00
(iii) Provision for sub-standard assets**	45.00	-
(iv) Proposed dividend	1,596.61	1,595.22
(v) Tax on Proposed Dividend	271.34	503.79
Total	**2,956.50**	**3,129.08**

* **Provision for Standard assets**

RBI issued draft guidelines for NBFCs' in December 2012 recommending provision for standard assets @ 0.40% of outstanding Standard Assets. Accordingly, provision for Standard Assets has been recomputed and the excess amount already provided in the previous years which is no longer required amounting to ₹ 352 lakhs have been reversed and shown under Other Income.

** **Provision for sub-standard assets**

An asset, in respect of which, interest has remained unrealized for a period of six months or more has been classified as sub-standard asset. A separate provision has been made for sub-standard assets @ 10% in accordance with the existing RBI guidelines.

The following table discloses the movement of the provisions for standard/ sub-standard assets of one of the subsidiaries during the year:

₹ in Lakhs

	April 1, 2012	Addition during the year	Reversed during the year	March 31, 2013
Provision for standard assets	500.00	-	(352.00)	148.00
Provision for sub-standard assets	-	45.00	-	45.00

12 . Fixed Assets

₹ in Lakhs

Description	Gross Block					Depreciation					Net Block	
	As at 01.04.12	Additions	Deletion	Translation Adjustment	As at 31.03.13	As at 01.04.12	For the Year	Deletion	Translation Adjustment	As at 31.03.13	As at 31.03.13	As at 31.03.12
A. Tangible Assets												
Land												
Current year	2,780.63	1.01	-	-	2,781.64	-	-	-	-	-	2,781.64	2,780.63
Previous year	2,615.54	165.09	-	-	2,780.63	-	-	-	-	-	2,780.63	2,615.54
Buildings												
Current year*	6,055.46	12,431.75	-	230.91	18,718.12	753.83	567.65	-	18.69	1,340.17	17,377.95	5,301.63
Previous year	5,591.56	41.74	-	422.16	6,055.46	419.69	311.48	-	22.66	753.83	5,301.63	5,171.87
Plant and Equipment												
Current year	2,272.35	193.53	239.50	42.66	2,269.04	1,338.76	311.29	192.46	13.23	1,470.82	798.22	933.59
Previous year	*1,977.76*	*291.37*	*68.85*	*72.07*	*2,272.35*	*1,050.36*	*321.81*	*49.00*	*15.59*	*1,338.76*	*933.59*	*927.40*
Furniture & Fixtures												
Current year	9,090.97	837.75	247.30	419.39	10,100.81	5,928.68	1,182.02	211.02	277.04	7,176.72	2,924.09	3,162.29
Previous year	*7,065.66*	*1,752.24*	*431.20*	*704.27*	*9,090.97*	*4,689.35*	*1,156.87*	*373.55*	*456.01*	*5,928.68*	*3,162.29*	*2,376.31*
Office Equipment												
Current year	4,020.99	497.96	154.24	234.75	4,599.46	1,881.40	512.19	121.62	102.87	2,374.84	2,224.62	2,139.59
Previous year	*3,360.89*	*609.11*	*364.52*	*415.51*	*4,020.99*	*1,608.01*	*414.17*	*322.49*	*181.71*	*1,881.40*	*2,139.59*	*1,752.88*
Computers												
Current year	3,062.61	388.11	415.68	70.43	3,105.47	2,036.56	504.04	352.51	28.56	2,216.65	888.82	1,026.05
Previous year	*2,152.59*	*921.54*	*100.50*	*88.98*	*3,062.61*	*1,781.01*	*311.45*	*95.75*	*39.85*	*2,036.56*	*1,026.05*	*371.58*
Vehicles												
Current year	1,201.63	277.47	128.84	51.70	1,401.96	620.58	217.97	74.85	33.68	797.38	604.58	581.05
Previous year	*895.70*	*311.31*	*91.56*	*86.18*	*1,201.63*	*463.66*	*173.80*	*73.98*	*57.10*	*620.58*	*581.05*	*432.04*
Tangible Assets Total												
Current year	**28,484.64**	**14,627.58**	**1,185.56**	**1,049.84**	**42,976.50**	**12,559.81**	**3,295.16**	**952.46**	**474.07**	**15,376.58**	**27,599.92**	**15,924.83**
Previous year	***23,659.70***	***4,092.40***	***1,056.63***	***1,789.17***	***28,484.64***	***10,012.08***	***2,689.58***	***914.77***	***772.92***	***12,559.81***	***15,924.83***	***13,647.62***

* During the year Easyaccess Financial Services Limited, a wholly owned subsidiary acquired a modern building admeasuring 230,000 sq.ft of office space located at Chennai, at a cost of ₹ 12,425.31 Lakhs.

₹ in Lakhs

Description	Gross Block					Amortization					Net Block	
	As at 01.04.12	Additions	Disposal	Translation Adjustment	As at 31.03.13	As at 01.04.12	For the Year	Deletion	Translation Adjustment	As at 31.03.13	As at 31.03.13	As at 31.03.12
B. Intangible Assets												
Software												
Current year	2,738.08	233.72	351.68	120.85	2,740.97	2,313.15	460.31	339.25	103.79	2,538.00	202.97	424.93
Previous year	*2,158.36*	*391.35*	*30.41*	*218.78*	*2,738.08*	*1,865.23*	*290.97*	*30.41*	*187.36*	*2,313.15*	*424.93*	*293.13*
Non-Compete fee												
Current year	782.70	-	-	52.84	835.54	173.93	31.49	-	11.82	217.24	618.30	608.77
Previous year	*699.70*	-	-	*83.00*	*782.70*	*38.87*	*122.52*	-	*12.54*	*173.93*	*608.77*	*660.83*
Total												
Current year	**3,520.78**	**233.72**	**351.68**	**173.69**	**3,576.51**	**2,487.08**	**491.80**	**339.25**	**115.61**	**2,755.24**	**821.27**	**1,033.70**
Previous year	***2,858.06***	***391.35***	***30.41***	***301.78***	***3,520.78***	***1,904.10***	***413.49***	***30.41***	***199.90***	***2,487.08***	***1,033.70***	***953.96***

C. Depreciation and amortization

₹ in Lakhs

Description	2012-13	2011-12
Tangible assets	3,295.16	2,689.58
Intangible assets	491.80	413.49
Total	**3,786.96**	**3,103.07**

13. Non Current Investments (Trade)

Investment in associate

₹ in Lakhs

Name of the Corporate Body	31- Mar- 2013	31- Mar- 2012
50,000 Equity Shares (Previous Year 50,000) of ₹ 10/- each fully paid-up in Redington (India) Investments Limited	3.12	5.00
Less: Share of Loss (Recognized in line with AS23)	3.12	1.88
Total	**-**	**3.12**

14. Deferred Tax

Break-up of Deferred Tax Assets arising on account of timing differences (In respect of the Company and its subsidiaries)

₹ in Lakhs

Particulars	31- Mar-2013	31-Mar-2012
i. Deferred Tax Assets:		
Provision for doubtful trade receivables	372.63	364.83
Gratuity	200.79	163.91
Compensated absences	94.17	83.33
Depreciation	98.94	81.32
Others	94.14	219.20
Total	**860.67**	**912.59**
ii. Deferred Tax Liability:		
Depreciation	6.61	104.52
Total	**6.61**	**104.52**
Deferred Tax Asset (Net)	**854.06**	**808.07**

Break up of Deferred Tax liability arising on account of timing difference (In respect of a subsidiary)

₹ in Lakhs

Particulars	31-Mar-2013	31-Mar-2012
i. Deferred Tax Liability:		
Depreciation	-	6.77
Total	**-**	**6.77**
ii. Deferred Tax Asset:		
Provision for doubtful trade receivables	-	4.67
Gratuity	-	0.62
Compensated absences	-	0.98
Total	**-**	**6.27**
Deferred Tax Liability (Net)	**-**	**0.50**

15. Long Term loans and advances (Unsecured and considered good)

₹ in Lakhs

Particulars	31-Mar-2013	31-Mar-2012
(a) Capital advances	658.48	97.43
(b) Security Deposits	697.73	429.39
(c) Loans and Advances to employees	16.75	15.50
(d) Advance taxes (net of provisions)	4,690.61	2,438.46
(e) Receivable from customs / sales tax department	1,330.34	1,191.39
(f) Others	212.98	241.00
Total Long term Loans and advances	**7,606.89**	**4,413.17**

16. Long term receivables under financing activity

(Represents repayments due after one year from the Balance sheet date)

₹ in Lakhs

Particulars	31- Mar-2013	31-Mar-2012
Secured and considered good *	587.35	2,102.35
Unsecured and considered good	311.69	533.48
Total	**899.04**	**2,635.83**

* Receivables (Loans) of Easyaccess Financial Services Limited are considered as secured, when the exposures are secured by hypothecation or mortgage of assets / properties (registered / equitable) / pledge of shares of private limited / listed / unlisted companies.

17. Inventories

₹ in Lakhs

Particulars	31-Mar-2013	31-Mar-2012
Trading Stocks	170,792.06	152,879.32
Goods in Transit	24,068.19	16,663.48
Service Spares	456.66	456.83
Total	**195,316.91**	**169,999.63**

18. Trade Receivables - Unsecured

₹ in Lakhs

Particulars	31-Mar-2013	31-Mar-2012
(a) Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Considered good	9,501.82	8,372.29
Considered Doubtful	1,201.22	1,123.58
Less: Provision for doubtful receivables	1,201.22	1,123.58
(b) Other trade receivables		
Considered good	292,169.83	213,529.58
Considered Doubtful	7,966.82	6,641.03
Less: Provision for doubtful receivables	7,966.82	6,641.03
Total	**301,671.65**	**221,901.87**

19. Cash and Cash Equivalents

₹ in Lakhs

Particulars	31-Mar-2013	31-Mar-2012
Cash on hand	227.60	283.66
Balances with Banks		
(i) In current accounts	29,205.20	25,063.31
(ii) In deposit accounts	17,993.21	21,733.03
(iii) Margin money with banks	779.33	1,259.22
(iv) Earmarked balances – Unclaimed Dividend account	4.14	4.57
Total	**48,209.48**	**48,343.79**

20. Short term loans & advances (Unsecured and considered good)

₹ in Lakhs

Particulars	31-Mar-2013	31-Mar-2012
(a) Security deposits	1,614.93	1,442.97
(b) Loans and Advances to employees	266.91	334.90
(c) Prepaid expenses	3,988.69	3,191.22
(d) Balances with government authorities		
(i) Receivables from Customs authorities	4,226.38	4,657.38
(ii) VAT & Service Tax Credit Receivable	5,233.19	3,163.28
(e) Advance to suppliers	10,617.40	11,150.51
Total	**25,947.50**	**23,940.26**

21. Short term receivables under financing activity

(Represents repayments due within one year from the Balance sheet date)

₹ in Lakhs

Particulars	31-Mar-2013	31-Mar-2012
Secured and considered good	20,994.85	31,667.04
Unsecured and considered good	14,342.62	22,992.72
Total	**35,337.47**	**54,659.76**

22. Turnover/ Revenue from Operations

₹ in Lakhs

Particulars	2012-13	2011-12
Sales	2,289,905.57	2,028,963.85
Service Income	45,231.97	40,765.22
Income from financial services		
a. Interest on loan	4,626.45	3,291.66
b. Other financial services	267.42	2,046.34
Rebates	76,413.78	44,212.39
Other operating revenues	21.29	19.27
Total	**2,416,466.48**	**2,119,298.73**

23. Other Income

₹ in Lakhs

Particulars	2012-13	2011-12
Interest on loan	130.33	109.99
Interest from dealers	803.87	1,017.41
Interest on Bank deposits	730.78	447.56
Profit on sale of Fixed assets(Net)	18.42	-
Dividend from Short term Investments	257.18	68.30
Bad Debts Written off in earlier years recovered	101.26	45.66
Exchange gain(Net)	-	562.38
Reversal of Provision for standard assets*	352.00	-
Reversal of Provision for expenses no longer required	35.50	-
Other Non-operating income	2,142.18	652.11
Total	**4,571.52**	**2,903.41**

* Refer note 11 above

24. Employee benefits

₹ in Lakhs

Particulars	2012-13	2011-12
Salaries & Bonus	32,605.60	26,062.75
Contribution to Provident Fund & Other Funds	577.37	503.16
Welfare Expenses	706.49	718.77
Gratuity	926.48	752.57
Total	**34,815.94**	**28,037.25**

25. Finance Costs

₹ in Lakhs

Particulars	2012-13	2011-12
Interest on loan	18,063.08	14,003.99
Other Borrowing Costs	202.37	1,200.28
Total	**18,265.45**	**15,204.27**

26. Other Expenses

₹ in Lakhs

Particulars	2012-13	2011-12
Rent (Refer Note 31)	6,500.33	5,625.93
Freight	5,997.00	4,993.30
Commercial Taxes	2,946.91	3,117.25
Repairs and maintenance	2,236.40	1,790.92
Utilities	886.43	760.48
Insurance	1,939.46	1,976.89
Communication	2,454.37	1,761.05

₹ in Lakhs

Particulars	2012-13		2011-12	
Advertisement		5,401.64		2,714.63
Travel		3,139.14		2,567.57
Professional Charges		2,012.71		1,547.18
Bad Debts	1,054.18		594.79	
Less:- Written off against provision	1,025.80	28.38	561.93	32.86
Provision for doubtful receivables		1,443.57		2,244.97
Audit remuneration (including remuneration to subsidiaries' auditors)		640.63		408.37
Exchange loss		443.60		
Factoring Charges		1,020.98		119.45
Directors' Sitting Fee		9.12		8.60
Directors commission		88.97		77.00
Outsourced resource cost		598.37		526.97
Loss on Sale of Fixed assets (net)		-		18.75
Security Charges		556.88		508.69
Packing Charges		259.52		283.69
Provision for standard/sub-standard assets		45.00		185.00
Software expenses		1,051.65		659.85
Guarantee charges		-		1,096.31
Bank Charges		1,599.94		1,681.68
Miscellaneous expenses		2,822.89		2,642.79
Total		**44,123.89**		**37,350.18**

27. Earnings per Share

Description	2012-13	2011-12
Profit after Tax (₹ In Lakhs)	32,310.98	29,274.08
Weighted Average Number of equity shares (Basic)	399,007,418	398,024,290
Earnings per share- Basic ₹	8.10	7.35
Weighted Average Number of equity shares (Basic)	399,007,418	398,024,290
Add: Effect on ESOPs	783,002	1,048,167
Weighted Average Number of equity shares on account of Employee Stock Option Plan 2008 (Diluted)	399,790,420	399,072,457
Earnings per share- Diluted ₹	8.08	7.34
Face Value per share in ₹	2/-	2/-

28. Contingent Liabilities & Commitments

₹ in Lakhs

Particulars	31-Mar-2013	31-Mar-2012
i. Corporate Guarantees	6,767.32	-
ii. Letter of Credit	2,634.04	2,620.06
iii. Bills Discounted	4,619.76	1565.34
iv. Channel financing	600.00	600.00
v. Factoring	5,775.00	4,422.50
vi. Claims not acknowledged as debts	254.88	187.34

vii. Disputed Income Tax/Sales Tax/Customs Duty demands

₹ in Lakhs

Nature of Dues	31-Mar -2013	31-Mar-2012
Customs duty	110.88	169.64
Income Tax	847.13	847.13
Sales Tax	1,007.24	1,204.25

The Company has paid ₹ 251.39 lakhs under protest (Previous Year ₹ 495.73 Lakhs), which is included under Long term loans & advances.

viii. The administrative lawsuit filed by Redington Turkey Holdings S.A.R.L. (RTHS) before the Administrative Court of Ankara, as the plaintiff, requesting the cancellation of the decision of the Capital Markets Board (CMB) dated August 25, 2011, requiring RTHS to file an application with the aim to conduct a mandatory tender offer towards the shareholders of Arena Bilgisayar Sanayi ve Ticaret A.S. (Arena) in connection with its purchase of 49.4% stake in Arena on 29 November 2010 has been concluded in favor of RTHS and the decision of the CMB has been cancelled. On January 3, 2013, the CMB appealed this decision following which RTHS filed its responses on February 3, 2013. Although the lawsuit has been assigned to the 13th Chamber of the Council of State for appellate review, the Chamber has not yet taken it up for review.

ix. Capital Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is ₹ 2,615.25 Lakhs (Previous Year ₹ 2,575.90 Lakhs).

29. Until November 17, 2008, the Company's Middle East and Africa (MEA) business was conducted through its wholly owned subsidiary Redington Gulf FZE, Dubai (RGF). To facilitate investment by a Private Overseas Equity Investor in Redington International Holdings Limited (RIHL) a step down subsidiary of the Company, Redington (India) Limited transferred its 100% shareholding in RGF, Dubai to RIHL.

In the assessment for the year ended March 31, 2009, the Assessing Officer has sought to bring to taxation the imputed profits on transfer of the above shares to RIHL without consideration, leading to a potential demand of ₹ 138 crores excluding interest. The Company has made a representation on this to the Dispute Resolution Panel.

Management is hopeful of successfully contesting in appeal if and when a demand is raised.

30. Statutory Reserve includes

(i) Reserve created under Section 45-IC of the Reserve Bank of India Act, 1934 by the Company's subsidiary carrying Non-Banking Financing activities computed at 20% of its profit after tax for the year of ₹ 540.93 Lakhs (Previous Year ₹ 576.20 Lakhs)

(ii) ₹ 3.21 lakhs (Previous Year ₹ 33.68 lakhs) as required by the local laws of the countries where overseas subsidiaries are domiciled, created by allocating a certain percentage of net profits for the year. These reserves are not distributable except as provided by the relevant country's law.

31. Operating Leases

The holding company has taken cancellable operating lease for its office premises, which are for a period ranging from 11 months to 9 years.

32. Segment Reporting

The Company has identified geographical segment as its primary segment. Geographical segments are reported viz., India and Overseas. Secondary segment identified are Distribution, Financial Service business and others.Others include Service income, income from warranty maintenance contracts and supply chain business.

PRIMARY SEGMENT

₹ in Lakhs

Particulars	India		Overseas		Eliminations		Total	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
Revenue								
External	1,095,103.17	996,096.50	1,325,934.83	1,126,105.64	-	-	2,421,038.00	2,122,202.14
Inter-segment	1,255.27	959.78	5,521.12	4,591.47	(6776.39)	(5,551.25)	-	-
Total	**1,096,358.44**	**997,056.28**	**1,331,455.95**	**1,130,697.11**	**(6,776.39)**	**(5,551.25)**	**2,421,038.00**	**2,122,202.14**
Segment results	28,261.17	27,607.68	18,606.72	17,616.40	(626.86)	(191.27)	46,241.03	45,032.81
Segment Assets	291,881.21	272,842.48	360,324.82	297,535.00	(7265.60)	(19,271.94)	644,940.43	551,105.54
Segment Liabilities	212,057.83	204,067.22	261,299.63	218,001.29	(692.52)	(12,698.91)	472,664.94	409,369.60
Other Information								
Depreciation	1,387.25	1,187.20	2,399.71	1,915.87	-	-	3,786.96	3,103.07
Capital Expenditure	14,069.09	2,674.54	1,454.24	2,537.57	-	-	15,523.09	5,212.11

SECONDARY SEGMENT

₹ in Lakhs

Particulars	Distribution		Financial Services		Others		Eliminations		Total	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
Revenue										
External	2,367,153.84	2,076,004.12	6,005.16	5,345.30	47,879.00	40,852.72	-	-	2,421,038.00	2,122,202.14
Inter-segment	429.55	-	587.68	2,132.92	2,647.02	87.50	(3664.25)	(2,220.42)	-	-
Total	**2,367,583.39**	**2,076,004.12**	**6,592.84**	**7,478.22**	**50,526.02**	**40,940.22**	**(3664.25)**	**(2,220.42)**	**2,421,038.00**	**2,122,202.14**
Segment Assets	577,632.91	474,397.94	50,064.89	58,055.78	18,535.80	18,659.15	(1,293.17)	(7.33)	644,940.43	551,105.54
Other Information										
Depreciation	2,863.59	2,522.47	272.34	70.83	651.04	509.77	-	-	3,786.97	3,103.07

33. Accounting for Financial Instruments

The Company has recognized Mark to Market (MTM) loss of ₹0.54 Lakhs (Previous Year gain of ₹ 17.52 Lakhs) relating to forward contracts and other derivatives entered into to hedge the foreign currency risk of highly probable forecast transactions that are designated as effective cash flow hedges, in the Hedge Accounting reserve as part of the Shareholders Funds.

The MTM net loss on undesignated/ineffective forward contracts amounting to ₹5.65 lakhs (Previous Year ₹ Nil) has been recognized in the Statement of Profit and Loss.

34. Related party disclosures

1) **Key Management Personnel**

Mr. R Srinivasan, Managing Director

Mr. Raj Shankar, Deputy Managing Director

Mr. M Raghunandan, Whole-time Director

2) **Names of the related parties**

Party where the Company has control	Redington Employee Share Purchase Trust

Parties having Significant Influence on the Company	Redington (Mauritius) Limited, Mauritius Synnex Mauritius Limited, Mauritius

3) **Nature of Transactions**

₹ in Lakhs

Nature of Transactions	2012-13	2011-12
Redington Employees Share Purchase Trust		
Loan re-paid	Nil	4.50
Dividend Paid	0.03	0.54

Nature of Transactions	2012-13	2011-12
Redington (Mauritius) Limited		
Dividend Paid	336.11	924.30
Synnex Mauritius Limited		
Dividend Paid	377.18	1,037.26

Related parties are as identified by the management

Remuneration drawn by the Managing Director, Joint Managing Director and Whole-Time director.

₹ in Lakhs

Particulars	2012-13	2011-12
Salaries and Bonus	814.79	611.90
Contribution to provident fund	8.65	6.62
Total	**823.44**	**618.52**

The re-appointment and remuneration of the Whole-time Director for the month of March 2013 is subject to approval at the ensuing Annual General Meeting.

The Board of Directors on their meeting held on May 22, 2013 has elevated Mr.Raj Shankar, Deputy Managing Director as the Joint Managing Director of the company.

35. Employee Stock Option Plan 2008

The Group follows intrinsic value method of accounting for employee stock options. No compensation costs have been recognized in these accounts as the options have been granted at the prevailing market prices.

Particulars	Grant I	Grant II	Grant III	Grant IV	Grant V
Date of Grant	29-Feb-08	25-Jul-08	28-Jan-09	22-May-09	5-Dec-11
Exercise Price(₹)*	348.05	319.90	130.00	165.00	396.50
Vesting commences on	28-Feb-09	24-Jul-09	27-Jan-10	21-May-10	4-Dec-12
Options granted	2,335,973	11,000	276,143	25,000	173,212
Options lapsed	503,889	4,000	-	-	15,875
Options vested	1,832,084	7,000	276,143	25,000	77,931
Options exercised at the beginning of the year	1,598,750	6,250	226,143	18,750	-
Options exercised during the year	57,625	-	50,000	6,250	1,000
Total options outstanding and not exercised as on 31st March 2013	175,709	750	-	-	156,337

* Out of the total grant of options in 2008, 1,959,830 options were repriced at ₹ 130/- on 28 January 2009 and 75,000 options were repriced at ₹ 165/- on 22 May 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 5, 2011
No. of options	11,000	276,143	25,000	173,212

The fair value of options based on the valuation of the independent valuer as of the respective dates of grant are given below:

Grant Date	Feb 29, 2008	Repriced on Jan 28, 2009	Repriced on May 22, 2009	Jul 25, 2008	Repriced on Jan 28, 2009	Jan 28, 2009	May 22, 2009	Dec 5, 2011
Fair Value	171.33	25.56	33.04	159.71	23.77	47.46	79.82	171.72

The impact on the profit of the Group as at the year end and the basic and diluted earnings per share, had the group followed the fair value method of accounting for stock options is set out below:

₹ in Lakhs

Particulars	2012-13	2011-12
Profit after tax as per Statement of Profit and Loss (a)	32,310.98	29,274.08
Add: Employee Stock Compensation Expense as per Intrinsic Value Method	NIL	NIL
Less: Employee Stock Compensation Expense as per Fair Value Method	109.45	37.69
Profit after tax recomputed for recognition of employee stock compensation expense under fair value method (b)	32,201.53	29,236.39
Earnings per share based on earnings as per (a) above		
– Basic	8.10	7.35
– Diluted	8.08	7.34
Earnings per share had fair value method been employed for accounting of employee stock options as per (b) above		
– Basic	8.07	7.35
– Diluted	8.05	7.33

37. The figures of the previous year have been regrouped wherever necessary to conform to the classification of the current year.

For and on behalf of the Board of Directors

R Srinivasan
Managing Director

Raj Shankar
Joint Managing Director

M Raghunandan
Whole-Time Director

S V Krishnan
Chief Financial Officer

M Muthukumarasamy
Company Secretary

Place : Singapore
Date : May 22, 2013

Contents

Statement pursuant to general exemption under Section 212 (8) of the Companies Act, 1956 relating to subsidiary Companies

(₹ In Lakhs)

Sl. No:	Name of Company	Reporting Currency	Exchange Rate	Capital	Reserves	Total Assets	Total Liabilities	Investment other than investment in subsidiary	Turnover	Profit before taxation	Provision for taxation	Profit after tax	Proposed dividend	Country
1	Nook Micro Distribution Limited	INR	1.0000	2,000.00	(570.37)	7,474.26	6,044.63	-	30,488.52	(368.67)	(25.24)	(343.43)	-	India
2	Easyaccess Financial Services Limited	INR	1.0000	15,103.00	12,204.09	50,170.56	22,863.47	-	5,460.34	4,022.61	1,318.00	2,704.61	1,510.30	India
3	Cadensworth (India) Limited	INR	1.0000	130.13	2,297.61	15,610.89	13,183.15	-	21,209.29	1,085.58	353.05	732.53	-	India
4	ProConnect Supply Chains Solutions Limited	INR	1.0000	455.00	95.34	1,626.16	1,075.82	-	2,992.24	137.90	42.56	95.34	-	India
5	Redington Bangladesh Limited	TAKA	0.6957	20.87	11.41	46.42	14.14	-	-	2.56	2.53	0.03	-	Bangladesh
6	Redington Distribution Pte. Limited	USD	54.3100	2,172.40	6,571.79	35,489.46	26,745.27	-	155,194.14	2,132.39	417.67	1,714.73	607.61	Singapore
7	Redington Gulf FZE	AED	14.7903	1,774.84	97,181.19	265,734.62	166,778.59	-	801,019.06	16,743.87	53.65	16,690.22	4,790.91	UAE
8	Redington Gulf and Co. LLC	RO	140.9800	211.47	193.36	2,424.68	2,019.85	-	1,268.93	5.22	-	5.22	-	Oman
9	Redington Nigeria Limited	NN	0.3427	34.27	(355.79)	3,642.10	3,963.62	-	11,736.21	42.87	33.58	9.29	-	Nigeria
10	Redington Egypt Limited	LE	8.6598	4.33	413.31	5,235.70	4,818.05	-	16,868.07	132.70	32.29	100.41	-	Egypt
11	Redington Kenya Limited	SH	0.6358	6.36	(99.46)	11,052.21	11,145.32	-	45,069.95	118.29	2.36	115.93	-	Kenya
12	Cadensworth FZE	AED	14.7903	147.90	7,177.51	28,369.08	21,043.67	-	23,754.81	340.01	-	340.01	-	UAE
13	Redington Middle East LLC	AED	14.7903	44.37	245.59	24,359.38	24,069.42	-	127,091.88	175.60	-	175.60	4,562.74	UAE
14	Redington Qatar WLL	QR	14.9070	29.81	2,321.23	12,418.78	10,067.74	-	2,680.13	443.85	22.02	421.83	-	Qatar
15	Redngton Africa Distribution FZE	AED	14.7903	147.90	8,746.53	28,012.76	19,118.33	-	89,080.92	780.10	-	780.10	-	UAE
16	Redington Arabia Limited	SR	14.4740	144.74	207.27	3,593.95	3,241.94	-	2,978.64	76.13	23.67	52.46	858.83	Saudi Arabia
17	Redington Bahrain SPC	BD	143.9710	71.99	168.20	575.54	335.35	-	506.90	2.62	-	2.62	-	Bahrain
18	Redington Qatar Distribution W.L.L	QR	14.9070	29.81	26.95	12,676.46	12,619.70	-	10,785.56	1.93	0.65	1.28	-	Qatar
19	Redington International (Holdings) Limited	USD	54.3100	8.14	459.63	1,565.67	1,097.91	-	-	974.09	-	974.09	11,270.97	Cayman islands
20	Redington International Mauritius Limited	USD	54.3100	13,569.60	108,549.98	164,756.37	42,636.79	-	-	12,502.70	-	12,502.70	-	Mauritius
21	Redington Kenya EPZ Limited	SH	0.6358	0.64	(25.27)	3,878.35	3,902.98	-	2,811.29	3.46	-	3.46	-	Kenya
22	Africa Joint Technical Services Company	LD	42.3689	127.11	19.56	229.80	83.13	-	-	(5.55)	-	(5.55)	-	Libya
23	Cadensworth UAE LLC	AED	14.7903	44.37	113.65	1,020.44	862.42	-	2,352.65	91.22	-	91.22	547.26	UAE
24	Redington Limited, Ghana	GHS	28.0620	155.88	17.77	906.82	733.17	-	4,216.61	5.54	3.07	2.47	-	Ghana
25	Redington Uganda Limited	UGS	0.0210	3.14	56.08	4,536.28	4,477.05	-	12,848.30	26.08	8.74	17.34	-	Uganda
26	Redington Morocco Ltd	MAD	6.3022	18.91	18.87	9,298.63	9,260.86	-	8,048.31	13.03	-	13.03	-	Morocco
27	Redington SL (PRIVATE) LTD	LKR	0.4286	121.89	47.19	2,276.44	2,107.37	-	7,907.62	51.16	16.22	34.94	-	Srilanka
28	Redington Turkey Holdings S.A.R.L.	USD	54.3100	244.40	1,009.43	24,180.26	22,926.43	-	-	320.64	38.25	282.38	-	Luxembourg
29	Arena Bilgisayar Sanayi Ve Ticaret Anonim Sirketi	USD	54.9950	12,274.33	17,572.00	94,672.79	64,826.46	-	265,300.66	6,426.98	893.62	5,533.36	739.88	Turkey
30	Redington Tanzania Limited	TZS	0.0336	0.03	38.08	1,369.26	1,331.14	-	3,442.63	35.52	3.46	32.06	-	Tanzania
31	Ensure IT Services (PTY) Ltd	ZAR	5.8649	40.98	7.58	1,527.11	1,478.55	-	664.10	9.26	2.59	6.67	-	South Africa
32	Arena International FZE	AED	14.9750	149.75	1,110.03	14,781.20	13,521.42	-	81,907.90	1,064.70	-	1,064.70	213.05	UAE
33	Redington Rwanda Limited	RWF	0.0878	-	(32.15)	621.69	653.84	-	326.21	(32.77)	-	(32.77)	-	Rwanda
34	Redington Kazakhstan LLP	KZT	0.3658	54.50	(168.06)	1,566.00	1,679.56	-	728.96	(167.75)	-	(167.75)	-	Kazakhstan
35	Ensure Gulf FZE	AED	14.7903	147.90	(0.09)	192.19	44.37	-	-	(0.09)	-	(0.09)	-	UAE
36	Ensure Middle East Trading LLC	AED	14.7903	44.37	(10.82)	426.41	392.86	-	287.68	(10.79)	-	(10.79)	-	UAE
37	Sensonet Teknoloji Elelektronık Ve Bılısım Hızmetlerı Sanayı Ve Tıcaret Lımıted Sırketı	USD	54.9950	134.19	(46.75)	3,406.94	3,319.50	-	1,230.29	(58.69)	(12.07)	(46.62)	-	Turkey

RGF Private Trust Company Limited, Cayman Islands, Redington Gulf FZE, Iraq, Redington Angola Limited, Angola, Ensure Technical Services (PTY) Limited, South Africa, Ensure Solutions Nigeria Limited, Nigeria, Ensure Technical Services Kenya Limited, Kenya, Enusre Services Uganda Limited, Uganda and Enusre Technical Tanzania Limited, Tanzania are yet to commence their operations.

Abbreviation:
INR - Indian Rupee; AED - UAE Dirham; QR - Qatari Riyal; RO - Omani Riyal; USD - US Dollar; NN - Nigerian Naira; SH - Kenyan Shilling; SR - Saudi Riyal; LE - Egyptian Pound; TAKA - Bangladesh Taka; BD - Bahrain Dinar; GHS - Ghanaian Shilling; UGS - Uganda Shilling; LD - Libyan Dinar; MAD - Moroccan Dirham; LKR - Srilankan Rupee; TZS - Tanzania Shilling; ZAR - South African Rand; RWF - Rwandan Franc; KZT - Kazhakstani tenge

REDINGTON (INDIA) LTD.

Regd. Office: SPL Guindy House, 95, Mount Road, Guindy, Chennai 600 032

NOTICE

NOTICE is hereby given that the TWENTIETH ANNUAL GENERAL MEETING of the Company will be held on Friday, the 2nd day of August 2013 at 10.30 A.M at the Mini Hall, Narada Gana Sabha, No. 314 (Old No. 254), T.T.K. Road, Alwarpet, Chennai - 600 018, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2013, the Statement of Profit and Loss for the financial year ended on that date, and the Reports of the Directors and Auditors thereon.
2. To declare Dividend for the year ended 31st March 2013.
3. To appoint a Director in place of **Mr. N. Srinivasan**, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of **Mr. Tu, Shu-Chyuan**, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting on such remuneration to be fixed by the Board of Directors. **M/s. Deloitte Haskins & Sells**, Chartered Accountants, the retiring Auditors are eligible for re-appointment.

SPECIAL BUSINESS:

6. To consider and if thought fit, to pass, with or without modification(s) the following as an Ordinary Resolution:

   "RESOLVED that Mr. V.S. Hariharan, who was appointed as an Additional Director, in terms of Section 260 of the Companies Act,1956 to hold office till the conclusion of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 257 of the said Act proposing his appointment, be and is hereby appointed as Director of the Company liable to retirement by rotation."

7. To consider and if thought fit, to pass, with or without modification(s) the following as an Ordinary Resolution:

   "RESOLVED that Mr. Keith WF Bradley, who was appointed as an Additional Director, in terms of Section 260 of the Companies Act,1956 to hold office till the conclusion of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 257 of the said Act proposing his appointment, be and is hereby appointed as Director of the Company liable to retirement by rotation."

8. To consider and if thought fit, to pass, with or without modification(s) the following as an Ordinary Resolution:

   "RESOLVED that pursuant to sections 198,269,309, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, [(including any statutory modification or re-enactment thereof, for the time being in force)] approval of the Company be and is hereby accorded for the re-appointment of Mr. M. Raghunandan, as a Whole–Time Director of the Company for a period of two years with effect from 1st March 2013 on the salary, perquisites and benefits as set out in the explanatory statement attached to this notice."

   "RESOLVED further that renumeration paid to Mr. M. Raghunandan for the period from 1st March 2013 till the date of this approval be and is hereby ratified."

9. To consider and if thought fit, to pass, with or without modification(s) the following as a Special Resolution:

   "RESOLVED that pursuant to the provisions of SEBI (Employee Stock Option Scheme and Stock Purchase Scheme) Guidelines, 1999 (SEBI Guidelines) and subject to other applicable regulations, the consent of the members be and is hereby accorded to amend the terms of the Redington (India) Limited Employee Share Purchase Scheme 2006 by substituting the existing clause 6.1 with the following clause:

   6.1 The Company shall issue / allot a maximum of 15,52,500 shares under this scheme. Apart from the above shares, no shares will be purchased from the secondary market to offer to the employees under the scheme except those shares which have been already purchased by the trust prior to this amendment.

   "RESOLVED further that, all other terms and conditions of the resolutions passed earlier and the Employee Share Purchase Scheme 2006 for the transfer of shares to the employees of the Company and its subsidiaries shall remain unaltered."

By Order of the Board
For Redington (India) Limited

Singapore
May 22, 2013

M. Muthukumarasamy
Company Secretary

Notes :

1. The relative explanatory statement, pursuant to Section 173(2) of the Companies Act, 1956 in respect of the business under items 6 to 9 is attached hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. A BLANK PROXY FORM IS ENCLOSED FOR USE BY MEMBERS, IF REQUIRED. THIS MUST BE SUBMITTED WITH THE COMPANY'S REGISTERED OFFICE AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, 26th July 2013 to Friday, 2nd August 2013 (both days inclusive) for the purpose of payment of Dividend.
4. The Dividend as recommended by Board of Directors if approved at the meeting, will be paid as under:
   - to all beneficial owners in electronic form as per data made available by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
   - to all members in respect of shares held in physical form after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on 25th July 2013.
5. All correspondence with regard to share transfers/dividends and matters related therewith may be addressed directly to the Company's Registrar and Share Transfer Agents at M/s. Cameo Corporate Services Limited, 'Subramanian Building', No. 1, Club House Road, Chennai - 600 002.
6. The Members are requested to lodge/notify the transfer deeds, communication for change of address, Bank details, ECS details, wherever applicable, mandates (if any) with the Company's Registrars and Share Transfer Agents, M/s. Cameo Corporate Services Ltd., for shares held in physical mode.
7. The members / beneficial owners holding shares in electronic form are requested to lodge the above details to their depository participants and not to the Company or to the Registrar and Share Transfer Agents of the Company as the Company is obliged to use only the data provided by the Depositories while making payment of dividend.
8. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. Pursuant to the "Green Initiative" move taken by the Ministry of Corporate Affairs, the Company is required to send all statutory communications via email to the members who have registered their email ID. The Company, therefore, requests

   a. The members who are holding shares in Physical mode to submit their valid E-mail ID to M/s. Cameo Corporate Services Limited, the Registrar and Share Transfer Agents, by quoting their folio number and also any change therein from time to time and

b. The members / beneficial owners holding shares in dematerialized form are requested to inform/update their valid E-mail ID to their respective depository participants from time to time.

10. Members/Proxy holders are requested to produce the enclosed admission slip duly completed and signed at the entrance of the auditorium.

11. Ministry of Corporate Affairs (MCA) vide its Gazette notification No. G.S.R. 352(E) dated 10th May 2012, notified “Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012”. As per this Rule, companies have to upload details of unclaimed dividend on their website. Accordingly detailed information of Unclaimed Dividend is uploaded in the Company’s website www.redingtonindia.com for the benefit of members.

12. Members who have not yet en-cashed the dividend warrants for the financial years from 2006-07 to 2011-12 are requested to present the same for revalidation to our Registrar and Share Transfer Agents.The unclaimed dividend for the financial year 2006-2007, is due to be transferred to the Investor Education & Protection Fund by 31st August 2014. Members who are yet to claim the final dividend for the said financial year, are requested to submit their claims to the Registrar & Share Transfer Agent, viz., M/s. Cameo Corporate Services Ltd.

13. SEBI vide its circular dated 21st March 2013 has mandated all the Companies to print the bank account details of the investors on the payment instruments. Members are requested to give their bank account details to print the same in the dividend payment instruments.

14. Brief particulars of the Directors retiring by rotation, Whole-Time Director and of other directors seeking appointment are given in the Corporate Governance Report which is a part of the Annual Report.

15. MCA vide their General Circular No: 2 /2011 dated 8th February 2011 has granted general exemption from annexing the accounts of the subsidiary companies with the accounts of the Company in view of the consolidated accounts being made available to the members.

    The detailed annual accounts of the Company and its subsidiaries are available to the shareholders of the Company on any working day at the Registered Office of the Company. The annual accounts of the subsidiary companies are also available at the Registered Office of the respective subsidiary companies.

Explanatory Statement

PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No. 6 & 7

Mr. V.S. Hariharan and Mr. Keith W F Bradley were appointed as Additional Directors with effect from 31st July 2012 and 1st April 2013 respectively in accordance with the provisions of Section 260 of the Companies Act, 1956 and Article 26 (c) of the Articles of Association of the Company. Pursuant to Section 260 of the Companies Act, 1956, Mr. V.S. Hariharan and Mr. Keith W F Bradley, hold office up to the date of this Annual General Meeting.

The Company has received notices in writing from members of the Company together with the requisite deposit amount, as per the provisions of Section 257 of the Companies Act, 1956 proposing the above candidates for the office of Director subject to retirement by rotation.

Brief particulars of Mr. V.S. Hariharan and Mr. Keith W F Bradley are given in the Report on Corporate Governance forming part of the Annual Report.

Your Directors recommend the said resolutions for your approval.

The aforesaid Directors may be deemed to be concerned or interested in the resolution relating to their respective appointments. None of the other Directors are in any way concerned or interested in the said resolution.

Item No. 8

At the Annual General Meeting held on 22nd July 2011, Mr. M. Raghunandan was re-appointed as a Whole-time Director of the Company for a period of two years with effect from 1st March 2011. The term of Mr. M. Raghunandan’s appointment as a Whole-Time Director of the Company came to an end on 28th February, 2013. The Board of Directors at their meeting held on 31st January 2013 re-appointed Mr. M. Raghunandan as the Whole-time Director of the Company for a further period of two years with effect from 1st March 2013 till 28th February 2015 subject to the approval of members.

Mr. M. Raghunandan is a graduate in engineering from the Indian Institute of Technology, Madras and also has a Masters’ degree in Business Management from the Indian Institute of Management, Ahmedabad. He joined the Company in January, 1998 as a Country Support Manager and was made as a Whole-Time Director in the year 1999.

Mr. Raghunandan has a professional experience of over 35 years and has been associated with organisation like ITC Limited and HCL Infosystems Limited and has rich experience in manufacturing, technology transfer and projects. Prior to joining the Company, Mr. Raghunandan was the President of Indian Food Fermentations Limited.

The remuneration payable as per the provisions of Schedule XIII to the Companies Act, 1956 is as under:

Basic Salary	:	₹ 1,00,000/- per month
Allowances	:	₹ 86,333/- per month
Contribution to Provident Fund	:	12% of basic salary
Leave Travel Allowance	:	As per the policy of the Company.

Performance linked Bonus

As may be approved by the Board of Directors subject to a maximum of ₹ 32,00,000/- per annum.

Perquisites

Telephone – the company shall provide a mobile phone for the official use of Mr. M. Raghunandan.

Minimum Remuneration

The remuneration as set out above may be paid as the minimum remuneration to Mr. M. Raghunandan, 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 XIII of the Companies Act, 1956.

The re-appointment and remuneration to Mr. M. Raghunandan, Whole-Time Director as above is subject to the approval of the Members, including the remuneration paid for the period from 1st March 2013 to the date of obtaining approval of the members.

The Directors therefore recommend the resolution set out as item No. 8 for approval.

Except Mr. M. Raghunandan, none of the Directors of the Company is interested in this resolution.

This should also be treated as an abstract of the terms of appointment of the aforesaid Whole-time Director and the Memorandum of Interest of the Director in the said appointment, as contemplated under section 302 of the Companies Act, 1956.

Item No. 9

Securities and Exchange Board of India ("SEBI") vide its circular dated 17th January 2013 prohibited the listed companies from framing any employee benefit schemes involving acquisition of own securities from the secondary market. SEBI also directed the Companies which had already framed and implemented the employee benefit schemes to align the scheme with the new requirements of the SEBI (ESOS and ESPS) Guidelines on or before 30th June 2013.

The Company's Employee Share Purchase Scheme 2006 ("The Scheme") had a clause to offer additional shares purchased or proposed to be purchased through a Trust from the market, to the employees of the Company and its subsidiaries. To be in line with the SEBI's circular, it is proposed to amend the Scheme to provide that the trust shall not deal with the securities of the Company in the Secondary market.

Pursuant to Regulation 7 of the SEBI (ESOS and ESPS) Guidelines, special resolution in a general meeting is required to vary the terms of scheme.

The Directors therefore recommend the resolution set out as item No. 9 for approval.

None of the Directors of the Company is interested in this resolution.

By Order of the Board
For Redington (India) Limited

Singapore
May 22, 2013

M. Muthukumarasamy
Company Secretary

Attachment

REDINGTON (INDIA) LTD

Regd. Office: SPL Guindy House, 95, Mount Road, Guindy, Chennai 600 032

ATTENDANCE SLIP

Twentieth Annual General Meeting - 2nd August 2013

DP ID ____________ Folio No. ____________

Client ID ____________

No. of Shares Held ____________

I certify that I am a member/proxy for the member of the Company.

I hereby record my presence at the Twentieth Annual General Meeting of the Company at the Mini Hall, Narada Gana Sabha, No. 314 (Old No. 254), T.T.K. Road, Alwarpet, Chennai - 600 018 on Friday, the 2nd day of August 2013 at 10.30 A.M.

Name of the member/proxy Signature of the member/proxy

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall.

REDINGTON (INDIA) LTD

Regd. Office: SPL Guindy House, 95, Mount Road, Guindy, Chennai 600 032

PROXY FORM

DP ID ____________ Folio No. ____________

Client ID ____________

No. of Shares Held ____________

I/We ________________________of ____________ in the district of__________________being member /members of the Company hereby appoint______________ of__________in the district of __________ or failing him/her _____________of______________in the district of ________ as my/our proxy to vote for me/us on my/our behalf at the TWENTIETH ANNUAL GENERAL MEETING of the Company to be held on Friday, the 2nd day of August 2013 at 10.30 A.M. at the Mini Hall, Narada Gana Sabha, No. 314 (Old No. 254), T.T.K. Road, Alwarpet, Chennai - 600 018 and at any adjournment(s) thereof.

Signed this__________________ day of ________________ 2013

₹ 1/-
Revenue
Stamp

Signature of the Proxy Signature of the Member

Note: This form, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before the meeting.

making the mark

Awards received during the Year 2012-13:

1. Lenovo Doer of the Year 12-13 - Operation Efficiency Award in T1.
2. IBM – Best Distributor for Run Rate Products (Storage & System-X) 2012-13
3. Hitachi – Best Distributor of the Year 2012-13
4. BenQ - Award of Excellence – 2012
5. Tyco – Best National Distributor Award
6. Top Distributor Award for FY 2012 for India and SAARC region was received during COMMSCOPE Partner Forum
7. WD Branded Products – Fastest Year- On-Year Growth rate in EMEA region
8. CISCO-2012 APJC Distributor of the Year Award and India Distribution Partner Award
9. Dun and Bradstreet Award for corporate Excellence
10. EXIM achievement Award 2011-12 - 1st Place Air Imports
11. Top Service Tax Assesee - Chennai Commissionerate - for Compliance and Revenue Contribution

Awards received in Gulf region:

1. MERETAIL ACADEMY 2013 - Volume Retail Distributor of the Year' ME
2. MERETAIL ACADEMY 2013 – Specialist Retail Distributor of the Year' ME
3. Outstanding Performance in Business Growth 2012 for UAE
4. Schneider Electric - Business Development Initiative of the Year
5. Avaya - Best Distributor Award 2012 across META
6. Canon – Best Distributor of Canon & for increasing the market share for Laser Jet Products
7. Channel Middle East Awards 2012- The Best Growth Initiative by a Distributor
8. Dell Sonicwall - Best distributor across META region
9. CPI - Reseller Magazine - Best Pre-sales Support to the Channel
10. EMEA Channel Academy 2012 – Middle East & North Africa Distributor of the Year
11. MERetail Academy 2012- Middle East Volume Retail Distributor of the Year
12. Jacky's – Outstanding Distribution Partner
13. VAR Magazine Awards 2013 - After Sales Service of the Year
14. Lenovo - Outstanding SMB Distribution - Redington Arabia Ltd.
15. Lenovo - Outstanding Consumer Distribution - Redington Gulf FZE
16. Network Middle East Awards – Best Networking Value Added Distributor
17. Dubai Customs – Pillars of Strength
18. Redhat – Value Added Distributor of the Year
19. HP- Best Distributor Printing IPG HW, Saudi Arabia for 2012
20. Reseller Awards – Best Partner Excellence program of the Year
21. SanDisk – MEMA Outstanding Performance 2012
22. Trend Micro – Distributor of the Year across Middle East Mediterranean and Africa Region
23. VAR Magazine Awards 2013 – Retail Segment Distributor of the Year
24. VAR Magazine MEA – Champion Distributor of the Year 2013

Registered Office:
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SPL Guindy House
95, Mount Road, Guindy, Chennai - 600 032.
Tel : + 91 44 4224 3353 / 3028 7901
Fax : +91 44 2235 2790
www.redingtonindia.com

Information related to Standalone Audit Report for the

Financial Year ended 31st March 2013

FORM A

1.	Name of the Company:	Redington (India) Limited
2.	Annual standalone financial statements for the year ended	31st March 2013
3.	Type of Audit observation	Unqualified
4.	Frequency of observation	Not Applicable
5.	To be signed by-	
	Managing Director	R. Srinivasan
	Audit Committee Chairman	
	Chief Financial Officer	
		Place: Singapore Date: 22nd May 2013
	Statutory Auditor	Refer our Audit Report dated 22nd May 2013 on the standalone financial statements of the company For Deloitte Haskins & Sells Chartered Accountants (Registration No.008072S) B Ramaratnam Partner (Membership No.21209) Place : Chennai Date : 22nd may 2013

Information related to Consolidated Audit Report for the Financial Year ended 31st March 2013

FORM A

1.	Name of the Company:	Redington (India) Limited
2.	Annual consolidated financial statements for the year ended	31st March 2013
3.	Type of Audit observation	Unqualified
4.	Frequency of observation	Not Applicable
5.	To be signed by-	
	Managing Director	R. Srinivasan
	Audit Committee Chairman	
	Chief Financial Officer	
		Place: Singapore Date: 22nd May 2013
	Statutory Auditor	Refer our Audit Report dated 22nd May 2013 on the consolidated financial statements of the company For Deloitte Haskins & Sells Chartered Accountants (Registration No.008072S) B Ramaratnam B Ramaratnam Partner (Membership No.21209) Place : Chennai Date : 22nd may 2013