

DE-RISKING THE CONTINUUM



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Forward-Looking Statement

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

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

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

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DE-RISKING THE CONTINUUM

Our world keeps changing by the minute. A new world order is continuously evolving due to impacts caused by rapid developments in technology, breakthroughs in connectivity & communication, and shifting consumer preferences.

What worked well yesterday may not suffice for tomorrow. One needs to constantly predict, prepare, adapt, monitor and do necessary course corrections. De-risking the Company & its business from the impact of expected, the unexpected and at times, even from the unthinkable, assumes paramount importance. Doing so with agility, precision and repetitiveness enables successful businesses to protect, sustain and enhance stakeholder value.

At Redington, **De-risking the Continuum** has been the way of life ever since we began our business journey in 1993. Building an organization that is future-proof, is safeguarded in perpetuity and one that maintains its "Continuity" in delivering value, is the cornerstone of all our endeavors. **De-risking the Continuum** has

The foundation of our De-risking strategy has been diversification – across the technology bouquet (products, solutions, and services) and across geographies. This is further enhanced by a differentiated approach to our portfolio spectrum – sweating the core business, scaling up emerging businesses and expanding the margin-accretive layer of our services offerings.

As 2020 dawned, Redington's philosophy of **"De-risking the Continuum"** was confronted with an unprecedented and unimaginable challenge – COVID-19.

therefore determined all our actions till date and will continue to do so.

Fundamental to your Company's longevity and continuity has been its ability to adapt to the times; morphing from a pure-play box distributor of the nineties to a modern, technology enabled, digitally empowered and integrated IT & Communications Solution Provider, bringing offerings from 200+ blue-riband global brands, under one roof. Your Company is a unique amalgamation of bouquet of offerings and skills that have made Redington, the "Distributor of Choice" for its business partners.

Identifying critical components of the challenge was priority no. 1 and the Leadership Team quickly identified them and chalked out a clear and unambiguous action plan to address them. These were **Cash Flow, Collection, Cost, Customer, Contract, Control, and Communication**. An unrelenting focus on these seven elements have allowed us to navigate the most sensitive, initial period of the crisis and protect stakeholders' value to a significant extent.

No calamity lasts forever. Your Company will emerge stronger to access the business opportunities that are bound to present themselves, as human beings and organizations adapt to a new way of life.

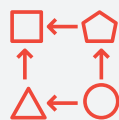


WE ARE REDINGTON

Redington is a leading distributor of technology & communication products and provider of services and solutions across 37 emerging markets. Our offerings include PC, Notebooks, Tablets, Printing Solutions, Servers, Storage, Software, Networking Solutions, Security Solutions, Smart Phones and Cloud. Besides India and Turkey, our operations span across markets in South Asia, the Middle East and Africa. As a premier distributor for 200+ global technology vendors, we leveraged a powerful network of 38,350+ channel partners to clock a turnover of ₹51,465.17 Crores during FY 20.

Through two wholly-owned subsidiary companies, we also operate in the field of Third-party Logistics & Supply Chain Solutions and in the field of Repair and Maintenance of Technology Products & Infrastructure. These adjacencies allow us to widen our coverage of technology distribution value chain. At the group level, we deploy a diverse and highly skilled workforce of 4,650+ employees from 36 nationalities across 37 markets.

OUR VALUES



Adaptability

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



Collaboration

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



Know-how

Our technical and market expertise runs deep



Objectivity

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



Simplicity

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



Trust

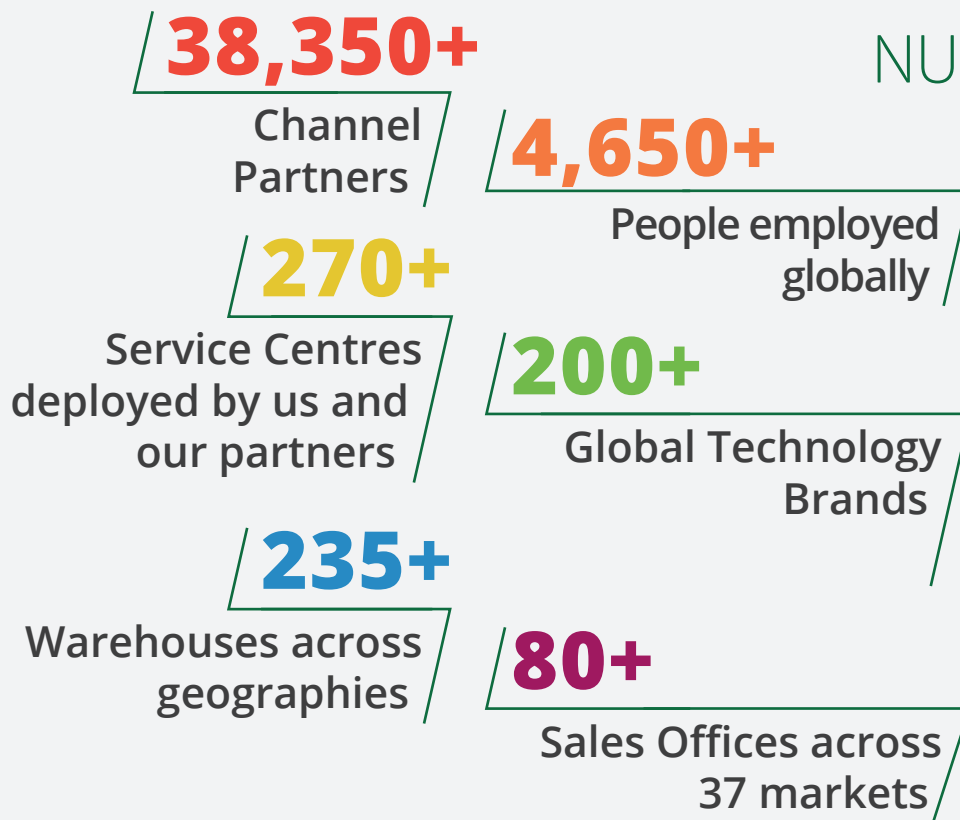
Reflected throughout the Company communication, trust is a pre-requisite for us to achieve a synergy with both internal as well as external stakeholders



Transparency

We believe in openness and promote it within the organization

IN NUMBERS



SOME OF OUR MAJOR BRAND PARTNERSHIPS



OUR GLOBAL PRESENCE



OUR INVESTOR VALUE PROPOSITION

WHAT SETS US APART

A ROBUST FOUNDATION

Highly experienced and long-serving Leadership Team

Highly talented Human capital across all functions

Very close, long-standing engagement with Vendors and Partners

A comprehensive and contemporary bouquet of Products & Solutions

TRACK RECORD

Since listing: Revenue CAGR of 14.7%, Profit CAGR of 13.3%

Consistent Dividend payout of 20% of Annual consolidated Profit

Strong Credit Rating for past two decades

Distributor of Choice: Either No. 1 or a strong No. 2 partner for most vendors in all markets

AHEAD OF THE CURVE

Future Ready: Investing in skills, resources & infrastructure ahead of time

Partnering with our vendors from the introductory stage of emerging technology trends

Setting standards and trends in our interaction and offerings to our channel partners

SUSTAINABLE DEVELOPMENT

Low Carbon footprint

Giving back to Society through sustained engagement in the field of Education and Health

Emphasis on Governance & Compliance

CONSOLIDATED FINANCIAL HIGHLIGHTS

₹ in Crores

Particulars	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	CAGR (since listing)
Revenue	51,513.8	46,599.4	41,641.7	39,736.2	34,419.8	30,736.1	27,244.1	23,446.2	20,779.9	16,373.4	13,162.2	11,918.6	10,369.9	8,667.2	14.7%
EBITDA	1,071.4	961.9	855.5	866.2	817.6	761.9	719.6	684.2	633.4	471.7	365.7	329.6	259.0	198.5	13.8%
PBT ®	692.3	623.3	630.6	654.5	590.3	555.5	485.1	462.4	450.3	351.0	275.9	219.0	177.1	127.3	13.9%
PAT ®	515.2	507.8	481.6	464.2	423.5	386.5	336.6	323.1	292.7	226.0	184.3	159.7	136.1	101.7	13.3%
Networth	4,308.9	3,906.0	3,530.6	3,147.9	2,949.4	2,374.2	2,021.3	1,640.7	1,322.5	1,255.3	1,075.7	1,002.2	721.5	625.6	
Capital Employed	7,227.6	5,558.1	5,347.2	5,025.3	5,665.9	4,446.8	3,993.8	3,947.1	3,477.6	3,186.3	2,464.6	2,226.5	1,505.4	1,226.9	
EBITDA / Revenue	2.1%	2.1%	2.1%	2.2%	2.4%	2.5%	2.6%	2.9%	3.0%	2.9%	2.8%	2.8%	2.5%	2.3%	
PAT / Revenue	1.0%	1.1%	1.2%	1.2%	1.2%	1.3%	1.2%	1.4%	1.4%	1.4%	1.4%	1.3%	1.3%	1.2%	
Return on average capital employed *	14.4%	16.5%	15.5%	15.2%	14.9%	17.2%	17.2%	17.7%	18.4%	16.0%	14.6%	17.2%	18.9%	18.2%	
Return on average equity *	12.6%	13.7%	14.5%	15.3%	15.6%	18.2%	19.1%	22.8%	23.9%	19.9%	17.7%	19.1%	21.7%	21.3%	
EPS (FV Rs. 2) (₹)*	13.2	12.8	12.0	11.6	10.6	9.7	8.4	8.1	7.4	5.7	4.7	4.1	3.5	3.1	
Book Value per share (FV Rs. 2) (₹)	110.3	99.8	87.7	78.2	73.2	57.6	48.8	39.5	33.2	31.7	27.4	25.7	18.5	16.1	

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

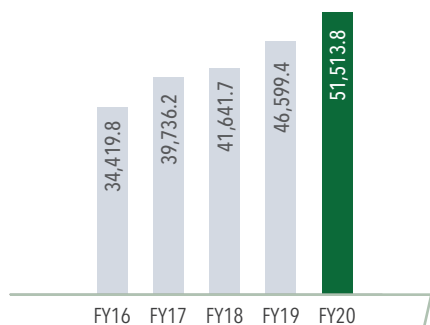
EPS and Book value for earlier years converted basis face value ₹ 2.

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

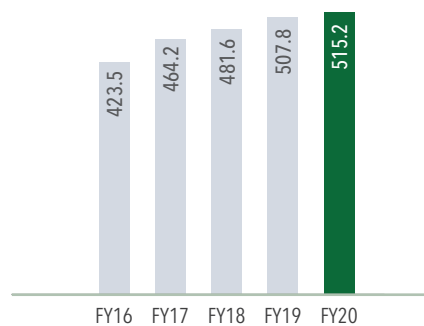
@ Including loss on the sale of long-term investment in Easy access Financial Services Limited of ₹ 9.07 Crore during FY 13-14.

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

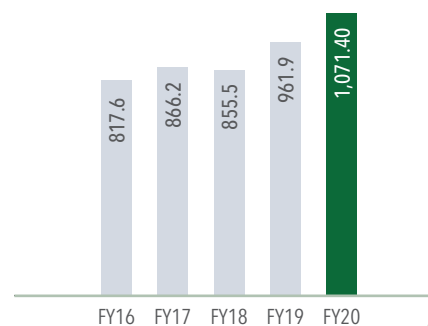
Revenue ₹ in Crores



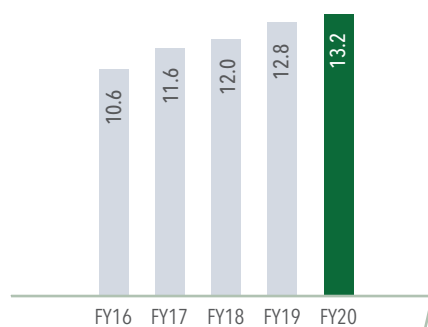
PAT ₹ in Crores



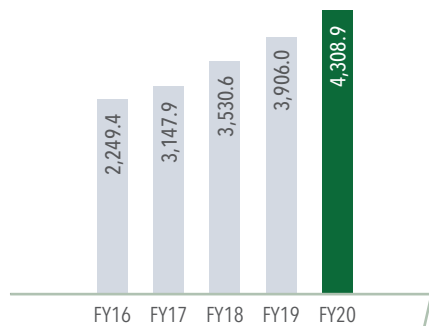
EBITDA ₹ in Crores



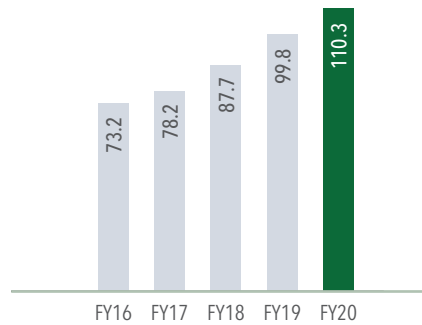
EPS ₹



Networth ₹ in Crores



Book Value Per Share ₹



MESSAGE FROM MANAGING DIRECTOR



DEAR STAKEHOLDERS AND FRIENDS OF REDINGTON

Even as I gather myself to pen down this annual address to you, which I consider amongst my great privileges, the human populace is experiencing an existential crisis.

Over 13 million human beings have been directly infected so far and more than half a million precious lives have been lost due to the deadly COVID-19 pandemic and these numbers are increasing every day. Please join me in my prayers for peace to the departed souls and for the health and safety of every person on this planet, that we call our home. I beseech the Almighty for his blessings towards complete safety and continuing good health of the entire Redington family, of which you and your loved ones form an integral part.

The game of cricket being a religion of sorts for most Indians, we have often seen a contest turning on its head within a couple of deliveries. As the fiscal 2019-20 was drawing towards its closure, we witnessed our world changing beyond recognition in just a few weeks. Cities after cities, across countries and continents, were forced to confine their population at home, almost overnight

The dreaded words “Lock Down” were embedded into our daily lexicon and our lives, under the severe restrictions, became focused on ensuring availability of daily-need essentials – grocery, milk, fruits and vegetables-things that we take for granted. Internet, already another “essential” to our daily lives, assumed criticality, as social distancing and isolation relegated all person-to-person contact to the virtual medium. From Schools to Colleges and Universities, from hobby classes to birthday celebrations, from family get-togethers to reunions, from work collaborations to meetings and conferences, all forms of social and official activities were rendered to the ether.