



DRAFT LETTER OF OFFER

Date : [•]

For our Equity Shareholders only

**WeP SOLUTIONS LIMITED**

CIN : L72200KA1995PLC025617

(Originally incorporated as Datanet Corporation Limited under the Companies Act, 1956 and the Certificate of Incorporation was issued by the Addl. Registrar of Companies, NCT of Delhi & Haryana on March 1, 1995. The Certificate of Commencement of Business was issued by the Asst. Registrar of Companies, NCT of Delhi & Haryana on March 15, 1995. The Registered Office of the Company was shifted from NCT Delhi to the State of Karnataka which was duly noted by the Registrar of Companies, Karnataka, Bangalore on August 18, 1999 vide their Certificate of Registration of the Order of Court Confirming Transfer of the Registered Office from one State to another. The name of the Company was changed to WeP Solutions Limited and a Fresh Certificate of Incorporation consequent to change of name issued on December 23, 2011 by the Registrar of Companies, Karnataka, Bangalore. For further details, please see Chapter on "Our History and Business Overview" on page 47.

Regd Office: 40/1-A, Basappa Complex, Lavelle Road, Bengaluru – 560 001, Karnataka
Tel: No. 9019915738; **E-mail:** compliance.officer@wepsol.in; website : www.wepsolutions.co.in;
Contact Person: Sujata Pratik Shaha, Company Secretary and Compliance Officer

Promoters: WeP Peripherals Limited and Mr. Ram Narayan Agarwal

LETTER OF OFFER

ISSUE OF 98,68,640 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FOR CASH AT PAR AGGREGATING TO RS. 986.86 LAKHS TO THE EXISTING EQUITY SHAREHOLDERS OF OUR COMPANY ON RIGHTS BASIS IN THE RATIO OF 3 EQUITY SHARES FOR EVERY 8 FULLY PAID EQUITY SHARES HELD BY THE EXISTING SHAREHOLDERS ON THE RECORD DATE, I.E. ON [•]. THE ISSUE PRICE OF EACH EQUITY SHARE IS 1 TIME TO THE FACE VALUE OF THE EQUITY SHARE. FOR FURTHER DETAILS, PLEASE REFER THE SECTION TITLED "TERMS OF THE ISSUE" BEGINNING ON PAGE NO. 123 OF THIS LETTER OF OFFER

GENERAL RISKS

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of the issuer and the offer including the risks involved. The securities being offered in the issue have not been recommended or approved by Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to the statement of 'Risk Factors' beginning on page no. 14 of this Letter of Offer.



ISSUER'S ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Letter of Offer contains all information with regard to the Issuer and the Issue, which is material in the context of the Issue, that the information contained in this Letter of Offer is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this Letter of Offer as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The existing Equity Shares of our Company are listed on BSE Limited (BSE). Our Company has received in-principle approval from BSE for listing the securities arising from this Issue by its letter dated [•].

LEAD MANAGER TO THE ISSUE**REGISTRAR TO THE ISSUE**

 Arihant Capital Markets Limited Merchant Banking Division SEBI Registration No.: INM 000011070 #1011, Solitaire Corporate Park, Guru Hargovindji Road, Chakala, Andheri (E), Mumbai – 400 093 Tel : 022-42254800; Fax : 022-42254880 Email: mbd@arihantcapital.com Website: www.arihantcapital.com Contact Persons: Mr. Amol Kshirsagar / Mr. Satish Kumar P	 Cameo Corporate Services Limited, SEBI Registration No. : INR 000003753 #1 Subramanian Building Club House Road Chennai – 600 002 Tel : 044-4002 0700 E-mail: priya@cameoindia.com ; Website: www.cameoindia.com Contact Person : Ms. Sreepriya K
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ISSUE PROGRAMME

ISSUE OPENS ON	LAST DATE FOR ON MARKET RENUNCIATION	ISSUE CLOSES ON
[•]	[•]	[•]

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TABLE OF CONTENTS

CONTENTS	PAGE
Section I - Definitions and Abbreviations	
Conventional/General Terms	4
Company / Issue Related Terms	5
Industry Related Terms	6
Abbreviations	6
Presentation of Financial Information and Use of Market Data	10
Forward Looking Statements	11
Section II - Summary of Letter of Offer	12
Section III - Risk Factors	14
Section IV - Introduction	
Summary of Issue	23
General Information	23
Capital Structure	28
Section V - Objects of the Issue	
Objects of the Issue	32
Section VI - About Us	
Details of our Industry and Business	44
Our Management	50
Section VII - Financial Information	
Auditors' Report and Financial Information of Our Company	56
Accounting Ratios	101
Management's Discussion and Analysis of Financial Condition and Results of Operations	102
Section VIII - Legal and other Regulatory Information	
Outstanding Litigations and Material Developments	112
Government and Other Statutory Approvals	116
Other Regulatory and Statutory Disclosures	117
Section IX -Issue Related Information	
Terms of the Issue	123
Procedure for Application	136
Section X -Other Information	
Material Contracts and Documents for Inspection	167
Section XI - Declaration	168

SECTION - I

GENERAL

DEFINITIONS AND ABBREVIATIONS

In this Letter of Offer, the terms “we”, “us”, “our”, “our Company”, “the Company” or “WeP”, unless the context otherwise implies, refer to WeP Solutions Limited. All references to “Rs.” or “INR” refer to Rupees, the lawful currency of India; “USD” or “US\$” refer to the United States Dollar, the lawful currency of the United States of America, references to the singular also refers to the plural and one gender also refers to any other gender, wherever applicable, and the words “Lakh” or “Lac” means “100 thousand” and the word “million” or “mn” means “10 lakh” and the word “crore” means “10 million” or “100 lakhs” and the word “billion” means “1,000 million” or “100 crores”. Any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off.

Conventional / General Terms

Term	Description
Act or Companies Act	The Companies Act, 2013 and the rules made there under, as amended from time to time
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time.
Depositories	NSDL and CDSL.
Depositories Act	The Depositories Act, 1996 and subsequent amendments thereto.
Depository Participant / DP	A depository participant as defined under the Depositories Act, 1996 and registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time.
DP ID	Depository Participant’s identity.
FII(s)	Foreign Institutional Investors registered with SEBI under applicable laws.
FPI	Foreign Portfolio Investments
GoI	Government of India.
Indian GAAP	Generally Accepted Accounting Principles in India.
I.T. Act	The Income Tax Act, 1961 and subsequent amendments thereto.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, limited liability partnership, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Non Residents	A person resident outside India, as defined under FEMA.
NRE Account	Non-Resident External Account as defined under Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time.
NRO Account	Non-Resident Ordinary Account as defined under Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time.
SEBI Act, 1992	Securities and Exchange Board of India Act, 1992 and amendments thereto.
SEBI (ICDR) Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

Term	Description
SEBI LODR Regulations	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Rights Issue Circulars	Collectively, SEBI circular, bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020 and SEBI circular bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020.
Takeover Code/ SEBI SAST Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended to date.

Company / Issue Related Terms

Term	Description
Allotment	Unless the context otherwise requires, the issue and the allotment of Equity Shares, pursuant to the Issue.
Allottee	The applicants to whom the Equity Shares are being/have been allotted.
Articles/ Articles of Association/ AOA	Articles of Association of our Company.
Auditors	Refers to N M Raiji & Co, Chartered Accountants, the statutory auditors of our company, unless otherwise specified.
Bankers to the Issue	Axis Bank Limited
Board or Board of Directors	Board of Directors of our company which term shall include a committee of the Board
Capital or Share Capital	Share Capital of our Company comprising of subscribed and paid-up Equity Share Capital.
Designated Stock Exchange	BSE Limited
Draft Letter of Offer	The Draft Letter of Offer filed with BSE
Equity Share(s) or Share(s)	Equity Share of our Company having a face value of Rs. 10/- each listed on BSE unless otherwise specified in the context thereof.
Equity Shareholders	Unless otherwise stated, means a holder of Equity Shares of our Company as on the Record Date.
Fiscal/FY	Period of twelve months ended March 31 of that particular year, unless otherwise stated.
Investor(s)	The holder(s) of Equity Shares of our Company as on the Record Date, i.e. [•] and Renouncees.
Issue Closing Date	[•]
Issue Opening Date	[•]
Issue Price	Rs. 10/- per Equity Share
Lead Manager or Lead Manager to the Issue	Lead Manager to this Issue, in this case being Arihant Capital Markets Limited.
Memorandum / Memorandum of Association/ MoA	Memorandum of Association of our Company.
Promoters	WeP Peripherals Limited; Ram Narayan Agarwal;
Promoter Group	RNAWEP Investments Private Limited;

Term	Description
	wep solutions india limited; Sarita Agarwal; and Suman Jain
Record Date	[•]
Registrar to the Issue or Registrar and Transfer Agent to the Company / R&T	Cameo Corporate Services Limited
Registered and Corporate Office	40/1-A, Basappa Complex, Lavelle Road, Bengaluru - 560 001, Karnataka
Renouncees	Shall mean the persons who have acquired Right Entitlements from the existing Equity Shareholders of our Company.
Right Entitlement	The number of Equity Shares that a shareholder is entitled to in proportion to his/her shareholding in our Company i.e. 3 Equity Shares for every 8 Equity Shares held as on the Record Date.
Rights Issue	The issue of equity shares being offered on rights basis as per terms of this Letter of Offer.
The Offer or The Issue	Issue of 98,68,640 Equity Shares of Rs. 10/- each for cash at par aggregating to Rs. 9,86,86,400/- (Rupees Nine Crore Eighty Six Lakhs Eighty Six Thousand Four Hundred only) to the existing shareholders on rights basis in the Ratio of 3 equity shares for every 8 fully paid equity shares held by the existing shareholders on the Record Date, i.e. on [•]

Industry Related Terms

Term	Description
MPS	Managed Printing Services
BFSI	Banking, Financial Services and Insurance
GSP	GST Suvidha Provider
DMS	Document Management Services
IQC Eltr	Incoming Quality Control Electronics
IQC Mechanical	Incoming Quality Control Mechanical
PPA	Post Pack Audit
RRT	Rolling Reliability Test
SaaS	Software as a Service
SCM	Supply Chain Management

Abbreviation

Term	Description
AGM	Annual General Meeting.
AS	Accounting Standards, as issued by the Institute of Chartered Accountants of India.
ASBA	Application Supported by Blocked Amount process provided by SEBI as one of the modes for applying in a Public Issue / Rights Issue.
BSE	BSE Limited
BV	Book Value.
CAF	Composite Application Form.
CDSL	Central Depository Services (India) Limited.
DP	Depository Participant.

Term	Description
EGM	Extra-ordinary General Meeting.
EPS	Earnings Per Share.
FEMA	Foreign Exchange Management Act, 1999 and subsequent amendments thereto.
FII(s)	Foreign Institutional Investors registered with SEBI under applicable laws.
FY	Financial Year
G o I	Government of India
GSTIN	Goods and Services Tax Identification Number
JV	Joint Venture
MoU / MOU	Memorandum of Understanding.
NSDL	National Securities Depository Limited.
NRI(s)	Non-Resident Indian(s).
OCB(s)	Overseas Corporate Body(ies).
P.A.	Per Annum
PAN	Permanent Account Number.
SCSB	Self-Certified Syndicate Banks.
SEBI	Securities & Exchange Board of India.

NOTICE TO OVERSEAS INVESTORS

The distribution of the Letter of Offer, Abridged Letter of Offer and the Issue of Rights Equity Shares on a rights basis to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons in whose possession the Draft Letter of Offer, Letter of Offer, Abridged Letter of Offer or CAFs may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue of the Rights Equity Shares on a rights basis to the Equity Shareholders as on Record Date and will dispatch the Letter of Offer/Abridged Letter of Offer and CAFs to such Eligible Equity Shareholders who have provided an Indian address to our Company. Those overseas shareholders, who have not updated our records with their Indian address or the address of their duly authorised representative in India, prior to the date on which we propose to dispatch the Letter of Offer/Abridged Letter of Offer and CAFs, shall not be sent the Letter of Offer/Abridged Letter of Offer and CAFs.

No action has been or will be taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that the Draft Letter of Offer has been filed with BSE for observations. Accordingly, the Rights Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer/Abridged Letter of Offer and CAFs or any offering materials or advertisements in connection with the Issue may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Receipt of this Letter of Offer, Abridged Letter of Offer and CAFs will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, under such circumstances, Letter of Offer, Abridged Letter of Offer and CAFs must be treated as sent for information only and should not be acted upon for subscription to Rights Equity Shares and should not be copied or redistributed. Accordingly, persons receiving a copy of Letter of Offer, Abridged Letter of Offer and CAFs should not, in connection with the issue of the Rights Equity Shares or Rights Entitlements, distribute or send the same in or into any jurisdiction where to do so would or might contravene local securities laws or regulations. If Letter of Offer, Abridged Letter of Offer and CAFs is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Equity Shares or the Rights Entitlements referred to in this Letter of Offer, Abridged Letter of Offer and CAFs. Envelopes containing a CAF should not be dispatched from any jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Equity Shares in this Issue must provide an Indian address.

Any person who makes an application to acquire Equity Shares offered in this Issue will be deemed to have declared, represented, warranted and agreed that she/he is authorised to acquire the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in her/his jurisdiction. Our Company, the Registrar or any other person acting on behalf of us reserve the right to treat any CAF as invalid where we believe that CAF is incomplete or acceptance of such CAF may infringe applicable legal or regulatory requirements and we shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such CAF. Neither the delivery of Letter of Offer, Abridged Letter of Offer and CAFs nor any sale hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or that the information contained herein is correct as at any time subsequent to the date of this Draft Letter of Offer

The contents of this Letter of Offer, Abridged Letter of Offer, CAFs should not be construed as legal, tax or investment advice. Prospective investors may be subject to adverse foreign, state or local tax or legal consequences as a result of the offer of Equity Shares. As a result, each investor should consult its own counsel, business advisor and tax advisor as to the legal, business, tax and related matters concerning the offer of the Rights Equity Shares. In addition, our Company is not making any representation to any offeree or purchaser of the Rights Equity Shares regarding the legality of an investment in the Rights Equity Shares by such offeree or purchaser under any applicable laws or regulations



The rights and the securities of our Company have not been and will not be registered under the Securities Act, or any U.S. state securities laws and may not be offered, sold, resold or otherwise transferred within the United States of America or the territories or possessions thereof (the "United States" or "U.S."), except in a transaction exempt from the registration requirements of the Securities Act. The rights referred to in this Letter of Offer are being offered in India, but not in the United States. The offering to which this Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any Equity Shares or rights for sale in the United States or as a solicitation therein of an offer to buy any of the said Equity Shares or rights. Accordingly, this Letter of Offer or Abridged Letter of Offer and the enclosed CAF should not be forwarded to or transmitted in or into the United States at any time.

Neither our Company nor any person acting on behalf of our Company will accept subscriptions or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on behalf of our Company has reason to believe is in the United States when the buy order is made. Envelopes containing a CAF should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Equity Shares and wishing to hold such Equity Shares in registered form must provide an address for registration of the Equity Shares in India. Our Company is making the issue of Equity Shares on a rights basis to Eligible Equity Shareholders of our Company on the Record Date and the Letter of Offer and CAF will be dispatched only to Equity Shareholders who have an Indian address. Any person who acquires rights and the Equity Shares will be deemed to have declared, represented, warranted and agreed, (i) that it is not and that at the time of subscribing for the Equity Shares or the Rights Entitlements, it will not be, in the United States when the buy order is made, (ii) it does not have a registered address (and is not otherwise located) in the United States, and (iii) it is authorized to acquire the rights and the Equity Shares in compliance with all applicable laws and regulations.

Our Company reserves the right to treat as invalid any CAF which: (i) does not include the certification set out in the CAF to the effect that the subscriber does not have a registered address (and is not otherwise located) in the United States and is authorized to acquire the rights and the Equity Shares in compliance with all applicable laws and regulations; (ii) appears to our Company or its agents to have been executed in or dispatched from the United States; (iii) where a registered Indian address is not provided; or (iv) where our Company believes that CAF is incomplete or acceptance of such CAF may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Equity Shares or Rights Entitlement in respect of any such CAF.

CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION

Financial data

Unless stated otherwise, the financial data in this Letter of Offer is derived from the audited consolidated Financial Statement of our Company for the period ended March 31, 2020 which have been prepared in accordance with Indian Accounting Standard (Ind AS) and Limited Review unaudited financials for the period ended December 31, 2020 and are included in this Letter of Offer. The financial year of our Company commences on April 1 and ends on March 31.

In this Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off, and unless otherwise specified, all financial numbers in parenthesis represent negative figures.

Unless the context otherwise indicates, any percentage amounts, as set forth in the sections titled "Risk Factors" on page 14 of this Letter of Offer have been calculated on the basis of the Financial Statements of our Company prepared in accordance with Ind AS and the Companies Act, 2013.

Certain Conventions

In this Letter of Offer, unless otherwise indicated or the context otherwise requires, all references to WeP Solutions Limited, "WSL", "the/our "Company", "we", "our", "us" or similar terms are to WeP Solutions Limited or, as the context requires, and references to "you" are to the equity shareholders and/ or prospective investors in the Equity Shares

Currency and Units of Presentation

All references to "Rupees" or "Rs." or "Rs." are to Indian Rupees, the official currency of the Republic of India. All references to "US\$" or United States Dollars are to the official currency of the United States of America. Except where specified in this Letter of Offer, all figures have been expressed in lakhs.

FORWARD-LOOKING STATEMENTS

This Letter of Offer contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “contemplate”, “expect”, “estimate”, “future”, “goal”, “intend”, “may”, “objective”, “plan”, “project”, “will”, “will continue”, “will pursue”, “will likely result”, “will seek to”, “seek” or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated by the relevant statement.

Actual results may differ materially from those suggested by the forward looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industries in India in which we have our businesses and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India, which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in our industry. Important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in laws and regulations relating to the sectors/areas in which we operate or changes in price control regime in products that we manufacture for our clients;
- Increased competition in the sectors/areas in which we operate;
- Our ability to successfully implement our growth strategy and expansion plans, and to successfully launch and implement the project and business plans for which funds are being raised through this Issue;
- Our ability to meet our capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Changes in technology;
- Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices.
- The performance of the financial markets in India and globally; and any adverse outcome in the legal proceedings in which we are involved.

For further discussion of factors that could cause our actual results to differ from our expectations, please see “*Risk Factors*”, and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 14 and 102 respectively.

By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. In accordance with SEBI requirements, we will ensure that investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange.

SECTION - II

SUMMARY OF LETTER OF OFFER

The following is a general summary of certain disclosures included in this Letter of Offer and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Letter of Offer or all details relevant to prospective Investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Letter of Offer, including the sections, "Objects of the Issue", "Outstanding Litigations and Material Developments" and "Risk Factors" on pages 32, 112 and 14, respectively.

Summary of Primary Business

Our Company is an integrated Products, Services and Solutions Company and is diversified into established, emerging and growing segments like Managed Printing Services, Retail Printing Services, Digital Services and Solutions. We are one of the preferred brand for the office printing products/services among various industry verticals. We have also diversified into other allied products/solutions.

Objects of the Issue

Our Company intends to utilise the Proceeds from the Issue towards funding of the following objects:

(Rs. in lakhs)		
Serial	Particulars	Estimated Amount
1	Reduction of consolidated borrowings of our Company	675.94
2	Towards meeting the additional working capital requirements	150.00
3	Expenses of the Issue	60.00
4	General Corporate purposes	100.92
	Sub-total	986.86

Subscription to the Issue by our Promoters and Promoter Group

Our Promoters and members of our Promoter Group have undertaken (i) to subscribe to the full extent of their respective Rights Entitlements, subject to compliance with the minimum public shareholding requirements, as prescribed under the SCRR, and (ii) that they shall not renounce their Rights Entitlements except within the Promoter group. In addition, our Promoters and the eligible members of our Promoter Group reserve the rights to (a) subscribe to any Rights Entitlement that may be renounced in their favour by any of the shareholders of the Company (other than the Promoters and members of our Promoter Group), and/ or (b) apply for and subscribe to additional Rights Equity Shares in the Issue.

In case the rights issue remains unsubscribed, the Board of Directors may dispose of such unsubscribed portion in the best interest of the Company and in compliance with the applicable laws.

The acquisition of Rights Equity Shares by our Promoters and members of our Promoter Group, over and above their Rights Entitlements, as applicable, shall not result in change of control of the management of our Company. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements pursuant to the Issue.

Summary of Outstanding Litigation and Defaults

A summary of material outstanding legal proceedings involving our Company identified in accordance with the SEBI ICDR Regulations as on the date of this Letter of Offer, including the aggregate approximate amount involved to the extent ascertainable, is provided below :

Against our Company	Nil
By our Company	
(a) Against Acropetal Technologies Limited seeking winding up of the Acropetal Technologies Limited under section 433 (e) and (f) read with section 434 of the Companies Act, 1956 for failing to discharge its liability of Rs. 55.37 lakhs and interest amounting to Rs. 10.27 lakhs	
(b) Against Power Craft Electronics Pvt. Limited and another, seeking relief against infringement of our copyright in respect of the user manual, brochure, etc. – Amount not quantifiable	
(c) Appeal filed in the Customs, Excise and Service Tax Appellate Tribunal, Bangalore aggrieved by an Order-in-Original No. BLR-EXCIS-003-COM-35-16-17 dated 31.03.2017 of Commissioner of Central Exercise for not charging service tax on the managed printing services provided and assessed by the company under VAT for Rs. 581.29 lakhs.	
Against our subsidiary	
Tax amount of Rs. 24,600/- for first quarter of FY 2020-21	

For further details, see “Outstanding Litigation and Material Developments” beginning on page 112 of this Letter of Offer.

Risk Factors

For details, see “Risk Factors” beginning on page 14 of this Letter of Offer.

Contingent Liabilities

For details regarding our contingent liabilities, see “Financial Statements” beginning on page 56.

Related Party Transactions

For details regarding our related party transactions, see “Financial Statements” beginning on page 56.

Issuance of Equity Shares for consideration other than cash in the last one year

No Equity Shares have been issued by our Company for consideration other than cash during the last one year.

SECTION - III

RISK FACTORS

An investment in Equity Shares involve a high degree of risk. You should carefully consider all the information in this Draft Letter of Offer, including the risks and uncertainties described below, before making an investment in our Equity Shares. If any of the following risks actually occur, our business, results of operations and our financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. The financial and other implications of material impact of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are a few risk factors where the impact is not quantifiable and hence the same has not been disclosed in such risk factors.

INTERNAL RISK FACTORS

- 1. One of our main revenue streams is the Managed Printing Services. With the global trend towards reduction in printing of papers, we may face challenges in achieving a high growth rate for the business vertical.**

There is a global trend towards environment conservation and hence the usage of paper for printing is reducing gradually. However, India is still showing a marginal growth in usage of paper for printing. Lot of investments are happening in India in the paper industry. Our printing solutions are offering a hassle free and efficient printing solution to the printing activity which is imperative in any case for organisations. We feel that the growth pressure will remain due to market wide trend. However, we intend to persuade large organisations to switch to MPS mode and if we are successful in this business strategy, we can have reasonable growth rate in this vertical.

- 2. Our Company's business is dependent on few customers. Any loss of such customers or a significant reduction in purchases by such customers could adversely affect our business, results of operations and financial conditions**

Our Company is dependent on few customers. Our top 10 customers accounted for 30.80% and 35.30% of our gross sales for the Fiscal 2020 and the nine-month period ended December 31, 2020, respectively. Though the contracts are generally signed for three to four years with our large customers, we have been their vendor for over five years. We have not observed any reduction in contribution by top ten customers in absolute terms in last three years, as our top ten customers operate in diversified industries which averages out the contributions made in the event of disruption in any particular industry or operations of any particular customer. The loss of any significant customer or a significant reduction in demand from such customers could have an adverse effect on our business, results of operations and financial conditions. Further, we normally provide credit period of about 30 to 60 days, however due to the prevalence of COVID-19 pandemic and the nation-wide lockdown, our credit cycles were extended by a few days without significantly impacting our revenue cycle. We cannot assure you that any such delay in the future in payments by such customers over the usual payment cycles will not adversely affect the results of our operations and financial conditions. Further, there can be no assurance that our business relationships with our key customers would continue in similar manner.

3. We have contingent liabilities and our financial condition could be adversely affected if any of these contingent liabilities materialises

As of March 31, 2020, contingent liabilities disclosed in the notes to our audited financial statements aggregated Rs. 597.88 lakhs. Set forth below are our contingent liabilities that had not been provided for as of March 31, 2020 :

Nature of the Contingent Liability	(Rs. in lakhs)
Value Added Tax	16.59
Service Tax	581.29
Total	597.88

In the event that any of these contingent liabilities materialize, our financial condition may be adversely affected

4. If we fail to innovate, adapt and respond effectively to rapidly changing technology, our solutions may become less competitive or obsolete.

Our continued success will depend on our ability to continuously enhance and improve our solutions to meet customers' needs. If we are unable to enhance our solutions to meet market demand in a timely manner, we may not be able to maintain our existing customers or attract new customers, which would have a material adverse effect on our business, results of operations, cash flows and financial condition. In addition, shifts in customer demand may render existing technologies and machinery obsolete, requiring additional capital expenditures and/or write-downs of assets.

5. The continuing effect of the COVID-19 pandemic on our business and operations is highly uncertain and cannot be predicted.

In the first half of 2020, COVID-19 spread to a majority of countries across the world, including India. The COVID-19 pandemic has had, and may continue to have, repercussions across local, national and global economies and financial markets. In particular, a number of governments and organizations have revised GDP growth forecasts for 2020 downward in response to the economic slowdown caused by the spread of COVID-19, and it is possible that the COVID-19 pandemic will cause a prolonged global economic crisis or recession. During the duration of the lockdown, there were several restrictions for business to operate. Since we are engaged in Printing and other digital areas, our services were not categorized under the 'essential goods' and hence our facilities were shut down during this period and our business operations were disrupted across most of the segments. Since then, we have resumed operations in a phased manner as per the applicable Government's directives.

We have resumed our activities after making arrangements to meet the government's requirements on sanitization, people movement and social distancing. However, due to limited availability of professionals, labour, equipment suppliers, logistics and supply chain constraints, our activities are at sub-optimal capabilities. Further, our ability to ensure the safety of our employees and continuity of operations while conforming with measures implemented by the central and state governments in relation to the health and safety of our employees may result in increased costs. In the event a member or members of our senior management team contract

COVID-19, it may potentially affect our operations. Further, in the event any of our employees' contact COVID-19, we may be required to quarantine our employees and shut down our office and workshop, as necessary. Risks arising on account of COVID-19 can also threaten the safe operation of our unit / office, loss of life, injuries and impact the well-being of our employees.

These risks could have an adverse effect on our business, results of operations, cash flows and financial condition. To the extent that the COVID- 19 pandemic adversely affects our business and operations, it may also have the effect of heightening many of the other risks described in this "Risk Factors" section.

6. Our Company is involved in certain legal and other proceedings. An adverse outcome in such proceedings may have an adverse effect on our Financials

Our Company is currently involved in certain legal proceedings in India. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. In the event of an adverse outcome of such legal proceedings, we may have to incur expenses and management time in such proceedings and may have to make provisions in our financial statements, which could increase our expenses and liabilities which will adversely affect our financials. Details of the total number of proceedings pending against our Company are mentioned below:

Litigation filed against us : NIL

Litigation filed by our Company :

- (a) Seeking winding up of Acropetal Technologies Limited under section 433 (e) and (f) read with section 434 of the Companies Act, 1956 for failing to discharge its liability
- (b) Against Power Craft Electronics Pvt. Limited and another for Infringement of our copyright in respect of the user manual, brochure, etc.
- (c) Appeal filed in the Customs, Excise and Service Tax Appellate Tribunal, Bangalore by an Order of Commissioner of Central Exercise not charging service tax on managed printing services provided and assessed by the company under VAT.

For further details of these legal proceedings, please refer to chapter titled "Outstanding Litigations and Material Developments" beginning on page 112

7. Our Company proposes to utilize a portion of the Net Proceeds to repay or prepay certain borrowings availed by our Company, and the utilization of that portion of the Net Proceeds will not result in creation of any tangible assets.

Our Company intends to use a certain portion of the Net Proceeds for the purposes of repayment or prepayment, in full or part, of certain borrowings availed by our Company. The details of the borrowings identified to be repaid or prepaid using the Net Proceeds have been disclosed in "Objects of the Issue" on page 32. However, the repayment or prepayment of the identified borrowings are subject to various factors including, (i) any conditions attached to the loans restricting our ability to prepay the borrowings and time taken to fulfil such requirements, (ii) receipt of consents for prepayment or waiver from any conditions attached to such prepayment from our lenders, and (iii) terms and conditions of such consents and waivers.

8. **Our Company may not be able to raise the entire Rs. 986.86 lakhs as proposed through the present Rights Issue due to non-subscription by shareholders of their rights entitlement either in partial or full**

While the promoters of our company have conveyed their intention to subscribe to the present rights issue to the full extent of their entitlement, receipt of balance funds from the non-promoter shareholders would depend upon their interest in the issue and receipt of their subscription in the rights issue. In the event of non-participation of some or all of the non-promoter shareholders of our company, we may not be able to raise the targeted amount of Rs. 986.86 lakhs through the present rights issue and the objects of the Issue may have to be met from other financing arrangements and / or adjustment in schedule of implementation.

9. **We are dependent on our Managing Director and the Leadership Team to manage our current operations and meet future business challenges**

While we have been developing next layers of management as a direct support system to senior management who can take over the management responsibilities in the future, our future success is still dependent on our Managing Director, Mr. Ram Narayan Agarwal and other senior management to maintain strategic direction, manage current operations and risk profile and meet future business challenges. Our Managing Director has more than four decades of experience in business and its management and is the visionary of our Company and involved in formulation of corporate strategy and planning, overall execution and management, and concentrates on the growth of our Company.

Although, most of the other senior management of our Company have been employed with us for a long period, our Company does not enter into employment agreements with the senior management personnel who are therefore not obligated to work for our Company for any specified period. If one or more of these key personnel are unwilling or unable to continue in their present positions, we may not be able to replace them with persons of comparable skill and expertise promptly or at all, and we may not be able to further augment our management team appropriately and this could have a material adverse effect on our business, results of operations and financial condition.

10. **We face competition in all the business segments including the Managed Printing Services (MPS) and Digital Services which may limit our growth and prospects**

We face competition from various domestic and international players. There are also many unorganised and fragmented, small and medium-sized companies and entities in the field of MPS and Digital Services. Our competitors may have advantages over us, including but not limited to

- Substantially greater financial resources;
- Longer operating history than our businesses;
- Greater brand recognition among consumers;
- Larger customer bases in and outside India; or
- More diversified operations which allow profits from certain operations to support others with lower profitability.

These competitive pressures may affect our business, and our growth will largely depend on our ability to respond in an effective and timely manner to these competitive pressures

11. We may be exposed to operational and financial risks arising out of contractual obligations with Ricoh Asia Pacific Operations Limited ('RicoH')

During the FY 2019-20, we have signed up as a non-exclusive Distributor agreement for Ricoh Products and Solutions in the Indian Market wherein WeP will undertake distribution of Ricoh office printing products and solutions for Indian market. This line of business involves undertaking of warranty obligations, stocking of minimum quantity and variety of products etc. These obligations may put pressure on our management and financial resources and may expose us to certain unknown risks or risk could be higher than the envisaged proportion as the contract is new. Any sustained pressure on our resources due to this agreement may affect the results of operations and financial position of our Company.

12. We may be exposed to a foreign currency fluctuation risk which may harm our results of operations

A good amount of import of stock is done in order to meet the consumables, spares and printer requirement. The time involved from the date of order, receipt of the stock from the vendor, supply to the customer has remained in the range of 30 to 45 days. Further, the credit period from the vendor is an average period of 45 to 60 days. This time lag is potential enough to affect the profitability of company due to fluctuation in the currency exchange rate.

13. We are subject to risks associated with rejection of supplied products and consequential claims including product liability costs

Defects, if any, in our products could lead to rejection of supplied products and consequential financial claims and could require us to undertake service actions. As per the terms of our agreements with certain clients, these actions could require us to expend considerable resources in rectifying and/or addressing these problems, to absorb costs incurred by our customers in addressing such problems. We may not be covered by insurance for any product liability claims and hence any such liability could have an adverse impact on our results of operations. Though there have not been any significant rejection and claims experienced by our Company in past, we cannot assure you that no such claims will be made against us in the future or that such claims will be settled in our favour. Any such successful claims could adversely affect our results of operations and cash flow.

14. We have entered into related party transactions in the past and may continue to do so in future.

For the Fiscal 2020, our Company has entered into certain related party transactions with the Promoters, Directors and Promoter Group. The total amount of related party transactions as on March 31, 2020 is around Rs. 83 lakhs. While our Company believes that all such transactions have been conducted on an arm's length basis and in the ordinary course of business and that the provision of Section 188(1) of the Companies Act, 2013 are not attracted, there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we may enter into related party transactions in the future. For further details please refer to the section titled 'Financial Statements' beginning on page 56.

- 15. Certain government/statutory approvals/certifications/licenses may have expired or renewal/fresh applications for the same are pending before the concerned authorities. Any failure to obtain them in a timely manner or at all may adversely affect our operations.**

We require certain statutory and regulatory permits, licenses and approvals to operate our business and require renewing some of them on periodic basis. We have made renewal or new applications for certain approvals or licenses that have expired or that are required for our business but have not yet been received. In the future as well, our Company will be required to renew such permits, licenses and approvals, and obtain new permits, licenses and approvals in order to carry on current business operations and for any proposed new operations or expansions. While we believe that we will be able to renew or obtain such permits, licenses and approvals as and when required, there can be no assurance that the relevant authorities will issue or renew any of such permits, licenses or approvals in the timeframe anticipated by it or at all. Such non-issuance or non-renewal or non-availability may result in the interruption of our business operations and may have a material adverse effect on our results of operations and any present or future expansions. Further, in the event any of such approvals or licenses or any renewals thereof are refused to be granted to us, we may be required to temporarily discontinue our relevant operations for want of such approvals or licenses.

- 16. The shutdown of operations at our manufacturing units could have a material adverse effect on our results of operations and financial condition.**

Our manufacturing units are subject to operating risks, such as labour disputes, natural disasters and accidents, etc. The occurrence of any of these risks could affect our operations by causing production at one or more facilities to shut down. In addition, we may be forced to shut down the manufacturing unit due to unprofitable margins, irregular competition, unforeseen revival of healthy competition and other adverse economic conditions. No assurance can be given that one or more of the factors mentioned above will not occur, and this could have a material adverse effect on our results of operations and financial condition.

- 17. Our Promoters or members of our Promoter Group may pledge or dispose of the Equity Shares held by them which may adversely impact the trading price of our Equity Shares**

There is no restriction on our Promoters and members of the Promoter Group to dispose, transfer or pledge their Equity Shares, and our Promoters and / or members forming part of the Promoter Group may at any time pledge or dispose of the Equity Shares held by them including immediately after listing of Rights Equity Shares pursuant to this Rights Issue to the extent applicable. In the event of creation of such a pledge, the pledgee may exercise the right of acquiring, selling or otherwise disposing of such Equity Shares if the pledgor fails to abide by the terms and conditions of the pledge so created. Any transfer / sale of Equity Shares by our Promoter and / or members forming part of the Promoter Group will lead to a dilution of the Promoter holding in our Company which may adversely impact the trading price of our Equity Shares.

- 18. Our ability to pay dividends in the future may be affected by any material adverse effect on our future earnings, financial condition or cash flows.**

Our revenues are dependent on various factors such as future earnings, financial condition, cash flows, working capital requirements and capital expenditures. The combination of these factors

may result in significant variations in our revenues and profits and thereby may impact our ability to pay dividends.

- 19. Some of the premises from which we operate or are used by our Company for the purposes of our operations are situated at leasehold premises. Any termination of the relevant lease or leave and license agreements in connection with such properties or our failure to renew the same could adversely affect our operations**

Our Registered Office is located at 40/1-A, Basappa Complex, Lavelle Road, Bengaluru - 560 001, Karnataka. Our registered office is not owned by us and has been leased by our Company which shall be further renewed by mutual consent. Further, our factory at Baddi, Himachal Pradesh is also situated on a leased land taken on lease for a period of 85 years. While we have a formal arrangement for the occupancy of the registered office and the factory as mentioned above, in the event, we are unable to renew the lease agreement for registered office and factory on favourable terms, it may not be able to continue to use these premises, which may lead to disruption in the business and administrative operations of our Company having an adverse effect on the business, financial condition and results of operations of our Company

- 20. Our insurance coverage may not be adequate to protect us against all potential losses to which we may be subject to, and this may have a material adverse effect on our business and financial condition.**

We maintain insurance for a variety of risks, including risks relating to fire, special perils, burglary, etc., and other similar risks. However, there can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time. Any liability in excess of our insurance limits could result in additional costs, which would reduce our profits. Further, we may be subject to claims arising from alleged, suspected or actual defects in the products that we manufacture, which may require us to conduct product recalls, due to alleged, suspected or actual defects in end product manufactured by them for their own customers. In the event that any significant product liability, performance improvement or replacement claims are brought against us, which are not covered by insurance or result in recoveries in excess of our insurance coverage, it may adversely affect our business, financial condition, results of operations and prospects.

RISKS RELATING TO RIGHTS ISSUE

21. Failure to exercise or sell the Rights Entitlements will cause the Rights Entitlements to lapse without compensation and result in a dilution of Investor's shareholding

The Rights Entitlements that are not exercised prior to the end of the Closing Date will expire and become null and void, and Eligible Equity Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Equity Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted pursuant to increase in paid up share capital. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for the dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Rights Issue. Renouncees may not be able to apply in case of failure in completion of renunciation through off-market transfer in such a manner that the Rights Entitlements are credited to the Demat Account of the Renouncees prior to the Issue Closing Date. Further, in case, the Rights Entitlements do not get credited in time, in case of On Market Renunciation, such Renouncee will not be able to apply in this Rights Issue with respect to such Rights Entitlements.

22. The R-WAP payment mechanism facility proposed to be used for this Issue may be exposed to risks, including risks associated with payment gateways.

In accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020, a separate web based application platform, i.e., the R-WAP facility (accessible at <https://rights.cameoindia.com/wep>), has been instituted for making an Application in this Issue by resident Investors.

Further, R-WAP is only an additional option and not a replacement of the ASBA process.

On R-WAP, the resident Investors can access and fill the Application Form in electronic mode and make online payment using the internet banking or UPI facility from their own bank account thereat. For details, see para "Procedure for Application through the web-based platform R-WAP" on page 139. Such payment gateways and mechanisms are faced with risks such as:

- keeping information technology systems aligned and up to date with the rapidly evolving technology in the payment services industries;
- scaling up technology infrastructure to meet requirements of growing volumes;
- applying risk management policy effectively to such payment mechanisms;
- keeping users' data safe and free from security breaches; and
- effectively managing payment solutions logistics and technology infrastructure.

Further, R-WAP is a new facility which has been instituted due to challenges arising out of COVID-19 pandemic.

We cannot assure you that R-WAP facility will not suffer from any unanticipated system failure or breakdown or delay, including failure on part of the payment gateway, and therefore, your Application may not be completed or rejected. These risks are indicative and any failure to manage them effectively can impair the efficacy and functioning of the payment mechanism for this Issue. Since Application process through R-WAP is different from the ASBA process, there can be no assurance that investors will not find difficulties in accessing and using the RWAP facility.

23. There is no guarantee that the Rights Equity Shares issued pursuant to this Rights Issue will be listed on the Stock Exchange in a timely manner

In accordance with Indian law and regulations and the requirements of the Stock Exchange, in principle and final approvals for listing and trading of the Rights Equity Shares issued pursuant to this Rights Issue will not be applied for or granted until after the Rights Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorising the issuing of Rights Equity Shares to be submitted. Accordingly, there could be a failure or delay in listing the Rights Equity Shares on the Stock Exchange. If there is a delay in obtaining such approvals, we may not be able to credit the Rights Equity Shares allotted to the Investors to their depository participant accounts or assure ownership of such Rights Equity Shares by the Investors in any manner promptly after the Closing Date. In any such event, the ownership of the Investors over Rights Equity Shares allotted to them and their ability to dispose of any such Equity Shares may be restricted.

EXTERNAL RISK FACTORS

24. We may, at any time in the future, make further issuances or sales of our Equity Shares, and this may significantly dilute your future shareholding and affect the trading price of our Equity Shares.

Any future equity issuances by us, may lead to the dilution of Investors' shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by our Promoter or other major shareholders may adversely affect the trading price of our Equity Shares, which may lead to other adverse consequences for us including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. In addition, any perception that such issuance or sales of shares may occur, may lead to dilution of your shareholding, significantly affect the trading price of our Equity Shares and our ability to raise capital through an issue of our securities. There can be no assurance that such future issuance by us will be at a price equal to or more than the Issue Price. Further, there can be no assurance that we will not issue further shares or that the major shareholders will not dispose of, pledge or otherwise encumber their shares.

25. Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, results of operations and prospects

The regulatory and policy environment in which we operate is evolving and subject to change. While some changes such as streamlining of regulatory mechanism and reduction in the rates of direct taxes has benefitted the Company, certain other changes, including the instances mentioned below, may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

26. Terrorist attacks, civil disturbances, wars, regional and communal conflicts, natural disasters, fuel shortages, epidemics and labour strikes in India and elsewhere in Asia may have a material adverse effect on our Company's business and on the market for securities in India.

Increased political instability, evidenced by the threat or occurrence of terrorist attacks, enhanced national security measures, conflicts in several regions in which we operate, strained relations arising from these conflicts and the related decline in customer confidence may hinder our ability to do business. Further, our operations are dependent on our ability to protect our facilities and infrastructure from fire, explosions, floods, typhoons, earthquakes, power failures and other similar events. India has experienced natural disasters such as earthquakes, a tsunami, floods and droughts in the past few years.

SECTION - IV

INTRODUCTION

Issue details in brief

The Issue has been authorized by way of a resolution passed by our Board on November 6, 2020 pursuant to Section 62(1)(a) and other applicable provisions of the Companies Act, 2013.

The following is a summary of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, more detailed information in the section “Terms of the Issue” on page 123.

Equity Shares offered under the Rights Issue	98,68,640 Equity Shares of Rs. 10/- each
Rights Issue size	Rs. 9,86,86,400/-
Rights Entitlement	3 Equity Shares for every 8 Equity Shares held as on the record date
Record Date	[•]
Face Value per Equity Share	Rs. 10/-
Issue price per Equity Share	Rs. 10/-
Equity Shares subscribed, paid-up and outstanding prior to the Issue	2,63,16,372 Equity Shares
Equity Shares outstanding after the Issue (assuming full subscription for and Allotment of the Rights Entitlements)	3,61,85,012 Equity Shares
ISIN for Rights Entitlements	[•]
Terms of the Issue	Please refer section “Terms of the Issue” beginning on page 123 of this Letter of Offer
Terms of Payment	Rs. 10/- per Equity Share at the time of application
Utilisation of Issue proceeds	For details, please refer to the section titled “Objects of the Issue” beginning on page no. 32 of this Letter of Offer.

GENERAL INFORMATION

Pursuant to the resolutions passed by the Board of Directors of our Company at its meeting held on November 6, 2020 and the meeting of the Rights Issue Committee of the Board of Directors held on November 20, 2020, it has been decided to make the following offer to the Equity Shareholders of our Company, with a right to renounce:

ISSUE OF 98,68,640 EQUITY SHARES OF RS. 10/- EACH (“EQUITY SHARES”) FOR CASH AT PAR AGGREGATING TO RS. 986.86 LAKHS TO THE EXISTING SHAREHOLDERS OF OUR COMPANY ON RIGHTS BASIS IN THE RATIO OF 3 EQUITY SHARES FOR EVERY 8 EQUITY SHARES HELD BY THE EXISTING SHAREHOLDER(S) ON THE RECORD DATE, I.E. ON [•]

Our Company

Name of our company	WeP SOLUTIONS LIMITED
Registered Office & Corporate Office	40/1-A, Basappa Complex, Lavelle Road, Bengaluru - 560 001, Karnataka
Registration Number (Corporate Identity No.)	CIN : L72200KA1995PLC025617
Address of Registrar of Companies	Registrar of Companies, Karnataka, Bengaluru Address : E' Wing, 2nd Floor, Kendriya Sadana ,Kormangala, Bengaluru - 560 034
Plant Locations	Plot No. 87, EPIP, Phase I, Jharmajri, Dist Solan, Himachal Pradesh

Board of Directors of our Company

Sr. No.	Name	Designation
1	Ram N Agarwal	Chairman & Managing Director
2	Sandeep Kumar Goyal	Whole Time Director
3	H V Gowthama	Independent Director
4	Shankar Jaganathan	Independent Director
5	Mythily Ramesh	Independent Director
6	G H Visweswara	Independent Director
7	Dr. A L Rao	Non Executive Director

Company Secretary & Compliance Officer

Name of the Compliance Officer	Ms. Sujata Shaha
Address	WeP Solutions Limited; 40/1-A, Basappa Complex, Lavelle Road, Bengaluru - 560 001, Karnataka
Telephone No.	+91 9019915738
E-mail	compliance.officer@wepsol.in

Lead Manager to the Issue

Name:	Arihant Capital Markets Limited
SEBI Registration No.	INM 000011070
CIN	L67120MP1992PLC007182
Address	1011, Building No.10, Solitaire Corporate Park Guru Hargovindji Road, Chakala, Andheri (East), Mumbai - 400 093.
Telephone No.	+91- 22- 4225 4800
Fax No,	+91- 22- 4225 4880
E-mail	mbd@arihantcapital.com
Website	www.arihantcapital.com
Contact Person	Mr. Amol Kshirsagar / Mr. Satish Kumar P.

Registrars to the Issue / Registrar & Transfer Agent of our Company

Name	Cameo Corporate Services Limited		
SEBI Registration No.	INR 000003753		
Address	# Subramanian Building, Club House Road, Chennai – 600 002.		
Telephone No	+91 044 40020700		
E mail:	priya@cameoindia.com	Website	www.cameoindia.com
Contact Person	Ms. Sreepriya K		

Statutory Auditors of our company

Name	N.M. Rajji & Co., Chartered Accountants
Address	6th Floor, Universal Insurance Building, Sir Pherozechah Mehta Road, Fort, Mumbai – 400 001.
Telephone No	022-22870068
E-mail	nmr.ho@nmraiji.com

Principal Bankers to our company

Name	Axis Bank Limited	Union Bank of India
Address	No.19/4, Sairbagh, Cunningham Road, Bengaluru, Karnataka-560052	29-60, 11th Cross Rd, Malleshwaram, Bengaluru, Karnataka 560003
Telephone No.	9880135542	9845154311
E-mail	vara.k@axisbank.com	cb0056@unionbankofindia.com

Bankers to the Issue

Name	Axis Bank Limited
Address	No.19/4, Sairbagh, Cunningham Road, Bengaluru, Karnataka-560052
SEBI Registration No.	INBI00000017
Telephone No.	91 9880135542
E-mail:	vara.k@axisbank.com
Contact Person	Mr. K Vara Prasad

Chief Financial Officer

Name of the Chief Financial Officer	Mr. Sandeep Kumar Gopal
Address	D 511, Brigade Gardenia, RBI Layout, JP Nagar, Bangalore - 560 078
Telephone No.	080-26970463
E-mail	sandeep.goyal@wepindia.com

Legal Advisors to the Issue

Name	M V Kini, Law Firm
Address	Kini House, 6/39, Jangpura-B, New Delhi 110 014
Telephone No.	011-2437 1038 – 40
E-mail	raj@mvkini.com
Contact Person	Raj Rani Bhalla

Note: Investors are advised to contact the Registrars to the Issue/ Compliance Officer in case of any pre-issue / post-issue related problems such as non-receipt of Letter of Offer / Letter of Allotment / Share Certificate(s) / Refund Orders / Demat Credit.

Self Certified Syndicate Banks:

The list of banks that have been notified by SEBI to act as SCSB for the ASBA Process are provided on <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>

Credit Rating Details & IPO grading

This being an issue of Equity Shares on a rights basis, no credit rating & IPO grading is required.

Debenture Trustee

This being a Rights Issue of Equity Shares, appointment of Debenture trustee is not required.

Monitoring Agency

As the issue size is below Rs. 100 crores, no monitoring agency has been appointed.

Appraising Entity

The objects of the present issue have not been appraised by any appraising agency.

Declaration by Board on creation of separate account

The Board of Directors declares that funds received against this Issue will be transferred to a separate bank account other than the bank account referred to sub-section (3) of Section 40 of the Companies Act, 2013.

Inter-se Allocation of Responsibilities

As there is only one Lead Manager, inter-se allocation of responsibilities is not applicable. However, the list of major responsibilities of Arihant Capital Markets Limited, inter alia, is as follows:

No	Activities
1	Capital structuring with the relative components and formalities such as composition of debt and equity, type of instruments.
2	Drafting, design and distribution of this Abridged Letter of Offer, Letter of Offer, Application Form, etc. The Lead Managers shall ensure compliance with the SEBI ICDR Regulations, SEBI Listing Regulations and other stipulated requirements and completion of prescribed formalities with the Stock Exchanges
3	Selection of various agencies connected with the issue, namely Registrars to the Issue, Printers, and Advertisement agencies.
4	Assist drafting and approval of all publicity material including statutory advertisement, corporate advertisement, brochure, corporate films, etc.
5	Follow-up with bankers to the issue to get quick estimates of collection and advising the issuer about closure of the issue, based on the correct figures.
6	Submission of 1% security deposit, co-ordination with stock exchanges and formalities for use of online software, bidding terminal, mock trading etc.
7	The post-issue activities will involve essential follow-up steps, which include finalisation of basis of allotment / weeding out of multiple applications, listing of instruments and dispatch of certificates and refunds, with the various agencies connected with the work such as registrars to the issue, bankers to the issue, and bank handling refund business. Even if many of these post-issue activities would be handled by other intermediaries, the Lead Manager shall be responsible for ensuring that these agencies fulfil their functions and enable him to discharge this responsibility through suitable agreements with the Issuer Company.

Underwriting Details

Our Company has not entered into any standby arrangements with underwriters for underwriting the present issue.

Expert Opinion

Our Company has received consent from its Statutory Auditors, N.M. Raiji & Co., Chartered Accountants through its letter dated February 5, 2021 and confirmed to include their name in this Letter of Offer as an “expert” as defined under Section 2(38) of the Companies Act.

Minimum Subscription

As the Object of the Issue does not involve financing of capital expenditure and our Promoters, together with other persons in the Promoter Group have vide letters dated February 11, 2021 confirmed their intention to subscribe to the full extent of their aggregate rights entitlement in the Issue and not renounce their Rights Entitlements except to the extent of renunciation within the Promoter Group, the minimum subscription criteria mentioned under the SEBI ICDR Regulations will not be applicable to the Issue in accordance with Regulation 86(1) of SEBI ICDR Regulations.

Underwriting / standby Arrangement

This issue of equity shares is not being underwritten and/or no standby support is being sought for the said issue.

Filing

SEBI vide its circular bearing number SEBI/HO/CFD/CIR/CFD/DIL/67/2020 dated April 21, 2020 has granted certain relaxations with respect to rights issues under the SEBI ICDR Regulations. One of those relaxations is the increase of threshold of the rights issue size for filing of the Draft Letter of Offer with SEBI. The threshold of the rights issue size under Regulation 3 of the SEBI ICDR Regulations has further been increased from ten crores to fifty crores. Since the size of this Issue falls below the threshold, the Draft Letter of Offer will not be filed with SEBI.

This Draft Letter of Offer is being filed with the Designated Stock Exchange i.e. BSE and the Letter of Offer would be submitted to BSE and SEBI for information and dissemination.

Issue Schedule

Issue Opening Date	[•]
Last date for on Market Renunciation	[•]
Issue Closing Date	[•]

CAPITAL STRUCTURE

		Aggregate Value (Rs. Lakhs)	
		At Nominal Value	At Issue Price
(A)	AUTHORISED SHARE CAPITAL		
	4,00,00,000 Equity Shares of Rs. 10/- each	4,000.00	-
(B)	ISSUED, SUBSCRIBED & PAID-UP SHARE CAPITAL BEFORE THE PRESENT RIGHTS ISSUE		
	2,63,16,372 Equity Shares of Rs. 10/- each	2,631.64	-
(C)	PRESENT ISSUE IN TERMS OF THIS LETTER OF OFFER		
	98,68,640 Equity Shares of Rs. 10/- each	986.86	986.86
(E)	EQUITY CAPITAL AFTER THE ISSUE		
	3,61,85,012 Equity Shares of Rs. 10/- each	3,618.50	
(F)	SHARE PREMIUM ACCOUNT		
	Before the Issue	1,443.53	
	After the Issue	1,443.53	

Details of outstanding instruments:

Except as provided below, there are no outstanding options or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into our Equity Shares as on the date of this Letter of Offer.

Employee Stock Option Plan (ESOP)

Our Company has Employee Stock Option Plan 2011 (ESOP 2011) and Employees Stock Option Plan 2016 (ESOP 2016) which is administered by the Nomination and Compensation Committee for the benefit of employees. During the Financial Year 2019-20, there has been no change in the Employee Stock Option Plan 2011 and Employees Stock Option Plan 2016 of the Company.

Our Company, from time to time, provides share-based payments to its employees. These payments are provided in the form of stock options that can be exercised once the employee has completed specified service term with the Company. All share based employee payments will be settled in equity. The details of Stock options are provided below :

Particulars	As on September 30, 2020	
	ESOP 2011	ESOP 2016
Date of shareholders' approval	27/09/2011	22/09/2016
Number of options approved under the Scheme	6,00,000	6,00,000
Vesting schedule		
On completion of 12 months from the date of grant of Options	30% vesting	
On completion of 24 months from the date of grant of Options	30% vesting	
On completion of 36 months from the date of grant of Options	40% vesting	
Exercise Price	Rs. 10/- per Share	
Exercise period	5 years from vesting date	
Option movements during the year		
Options outstanding at the beginning of the year	1,37,600	2,60,000
Options granted during the year	-	-
Options lapsed and forfeited during the year	13,500	-
Options exercised during the year	-	-
Money raised by exercise of options (Rs.)	7,71,100	3,00,000
Total number of options in force as at the end of the year	1,24,100	2,60,000
<i>Vested and available for exercise</i>	<i>1,08,500</i>	<i>33,000</i>
<i>Unvested</i>	<i>15,600</i>	<i>2,27,000</i>

Summary of the status of Options

Particulars	30/09/2020	31/03/2020
Options outstanding at the beginning of the year	3,97,600	4,11,900
Options granted during the year	-	1,85,000
Options lapsed and forfeited during the year	13,500	92,200
Options exercised during the year	-	1,07,100
Total number of options in force as at the end of the year	3,84,100	3,97,600

Notes to Capital Structure

1. Details of Equity Shares held by the promoter and promoter group including the details of lock-in, pledge of and encumbrance on such securities.

As on the date of this Letter of Offer, our Promoters and Promoter group hold, in aggregate, 1,08,36,335 Equity Shares, constituting 41.18% of the issued, subscribed and paid-up Equity Share capital of our Company.

The break-up of the promoter / promoter group shareholding is as under :

Serial	Name	Shares	% to total Equity	Lock-in	Pledge / encumbrance
Promoters					
1	WeP Peripherals Ltd	40,90,361	15.54	10,00,000 *	Nil
2	Ram N Agarwal	19,73,014	7.50	-	Nil
Promoter group					
3	Suman Jain	3,40,525	1.29	-	Nil
4	Sarita Agarwal	1,21,568	0.46	-	Nil
5	RNAWEP Investments Pvt Ltd	32,60,403	12.39	-	Nil
6	wep solutions india limited	10,50,464	3.99	-	Nil
		1,08,36,335	41.18		

* 4,00,000 Equity Shares locked-in upto November 4, 2021 and 6,00,000 Equity Shares locked-in upto May 9, 2022.

The promoter / promoter group shareholding details are also available on the website of BSE at www.bseindia.com

- On March 19, 2020, WeP Peripherals Limited had acquired 10,32,042 Equity Shares by way of inter-se transfer from Mr. Ram N Agarwal, both being promoters of the Company. Save for this, the promoters / promoter group have not acquired any Equity Shares in our Company in the last one year immediately preceding the date of filing of the letter of offer with the designated stock exchange.

3. Intention and extent of participation by the promoters

The Promoters vide their letters dated February 11, 2021 have undertaken to fully subscribe for their Rights entitlement in the Issue. The Promoter reserves the right to subscribe to their entitlement in the Issue by subscribing for renunciation if any made in their favour. The Promoter may also apply for additional Equity Shares in the Issue. As a result of this subscription and consequent allotment, the Promoter may acquire shares over and above their entitlement in the Issue, which may result in an increase of their shareholding above the current shareholding with the entitlement of Equity Shares under the Issue. This subscription and acquisition of additional Equity Shares by the Promoter, if any, shall be made in compliance with the applicable provisions of the SEBI SAST Regulations. Allotment to the Promoter of any unsubscribed portion, over and above their entitlement shall be done in compliance with SEBI LODR Regulations and other applicable laws prevailing at that time relating to continuous listing requirements. In the event of renouncement by any of the shareholder belonging to the promoter and promoter group of the issuer Company, other than renunciation within the promoters / promoter group, the promoters and the promoter group shall not be eligible for exemption available under Regulation 10(4)(b) of the SEBI SAST Regulations, 2011.

4. The ex-rights price of the Equity Shares as per regulation 10(4)(b) of the SEBI SAST Regulations is Rs. 16.89 per Equity Share.
5. At any given time, there shall be only one denomination of the Equity Shares of our Company, excluding any equity shares with superior rights, if any, issued by our Company
6. Shareholding Pattern of our Company as per the last filing with the Stock Exchanges in compliance with the provisions of the SEBI Listing Regulations:
 - The shareholding pattern of our Company as on December 31, 2020, can be accessed on the website of the BSE at: <https://www.bseindia.com/stock-share-price/wep-solutions-ltd/wepsoln/532373/shareholding-pattern/>
 - The statement showing holding of Equity Shares of persons belonging to the category “Promoter and Promoter Group” including the details of lock-in, pledge of and encumbrance thereon as on December 31, 2020, can be accessed on the BSE website at <https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=532373&qtrid=108.00&QtrName=December%202020>
 - The statement showing holding of securities of persons belonging to the category “Public” including shareholders holding more than 1% of the total number of Equity Shares as on December 31, 2020 can be accessed on the website of the BSE, at <https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=532373&qtrid=108.00&QtrName=December%202020>

SECTION - V

OBJECTS OF THE ISSUE

Our Company intends to utilize the Proceeds from the Issue towards funding of the following objects:

1. Reduction of the consolidated borrowings of our Company,
2. Meet the additional working capital requirements,
3. Meet expenses for the Issue, and
4. General corporate purposes

The main objects clause and objects incidental or ancillary to the main objects as set out in the Memorandum of Association enables our Company to undertake its existing activities and the activities for which funds are being raised by our Company through the Issue.

Details of gross proceeds and its utilisation are as under :

(Rs. in lakhs)		
Serial	Particulars	Estimated Amount
(A)	Gross proceeds of the Rights Issue *	986.86
	Less : Expenses of the Issue	60.00
	Net proceeds of the Rights Issue	926.86
(B)	Utilisation of the net proceeds of the Rights Issue	
	(a) Reduction of consolidated borrowings of our Company	675.94
	(b) Towards meeting the additional working capital requirements	150.00
	(c) General Corporate purposes	100.92
	Sub-total	926.86

* Assuming full subscription and allotment

Given the dynamic nature of our business, we may have to revise our funding requirements and deployment on account of a variety of factors such as our financial condition, business strategy and external factors such as market conditions, competitive environment, interest or exchange rate fluctuations, taxes and duties, working capital margin and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose, at the discretion of our management. Subject to applicable law, if the actual utilisation towards

- a) reduction of consolidated borrowings of our Company;
- b) meeting the additional working capital requirements; and
- c) expenses of the Issue

is lower than the proposed deployment, the balance will be used towards general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the gross proceeds.

The Objects of the Issue does not involve financing of capital expenditure and our Promoters, together with other persons in the Promoter Group have vide letters dated February 11, 2021 confirmed their intention to subscribe to the full extent of their aggregate rights entitlement in the Issue and not renounce their Rights Entitlements except to the extent of renunciation within the Promoter Group. In view of this, the minimum subscription criteria will not be applicable to the Issue in accordance with Regulation 86(1) of the SEBI ICDR Regulations.

In case of a shortfall in raising requisite capital from the Net Proceeds towards meeting the Objects, business considerations may require us to explore a range of options including utilising our internal accruals and seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. To the extent our Company is unable to utilise any portion of the Net Proceeds towards the aforementioned objects, per the estimated scheduled of deployment specified above, our Company shall deploy the Net Proceeds in subsequent Fiscals towards the aforementioned objects.

The funding requirements mentioned above, and the estimated deployment schedule mentioned below, are based on our Company's internal management estimates and have not been appraised by any bank, financial institution or any other external agency. They are based on current circumstances of our business and our Company may have to revise these estimates from time to time on account of various factors beyond our control, such as market conditions, competitive environment, or interest rate fluctuations or costs, or our financial condition, business or strategy.

We intend to finance the Objects of the Issue entirely from the Net Proceeds and identifiable internal accruals. Accordingly, our Company is not required to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Issue.

Details in relation to utilisation of the net proceeds of the issue are as under :

1. Reduction of the consolidated borrowings of our Company

Our Company has availed loans in the ordinary course of business for the purposes including but not limited to meeting working capital requirements and financing capital expenditure. The company has borrowings in the form of cash credit and term loans.

a) Repayment of Term Loan (Rs. 425.94 lakhs)

Our Company intends to use part of the net proceeds for repayment of the monthly instalments of the term loan availed by the company from Axis bank. The company had availed this loan for investment in the Managed Printing Services business where the company deploys printing devices at customer place. The monthly instalment of the term loan is Rs. 18.51 lakhs. The repayment has commenced from August 31, 2019. We intend to utilise the proceeds in the following manner:

Particulars	Rs. in lakhs
Long term loan instalments paid already from internal accruals during the period August 2019 to January 2021	277.78
Instalments to be repaid during the period February 2021 to September 2021	148.16
Total Repayment plan for the Term loan	425.94

b) Reduction in Working capital borrowing (Rs. 200 lakhs)

Our company intend to reduce the working capital borrowings by Rs.200 lakhs. The proceeds from the rights issue shall be utilised to achieve this objective of overall working capital debt reduction. This will be by way of either surrendering some working capital limits or by way of reducing the CC utilisation.

The following table provides details of borrowings availed by our Company and are outstanding as on January 31, 2021 which our Company may repay or prepay the principal amount and/ or interest thereof, in full or in part, from the Net Proceeds, without any obligation to any financial institutions. The amounts outstanding against the facility disclosed below may vary from time to time, in accordance with the amounts drawn down and the prevailing interest rates. Accordingly, the amounts proposed to be prepaid and / or repaid against each facility is indicative and our Company may utilise the Net Proceeds to prepay and/ or repay the facilities disclosed below in accordance with commercial considerations, including amounts outstanding at the time of prepayment and/ or repayment.

Bank	Nature	Sanction Amount (Rs.)	Disbursed amount (Rs.)	Outstanding as on 31/01/2021	Terms of Sanction	Interest Rate	Instalment (Rs.)
Axis Bank Limited	Term Loan	10,00,00,000	8,65,00,000	5,91,68,952	The term loan should be repaid in 60 months instalments after a moratorium period of 6 months from the date of its first disbursement. Tenure : 66 months w.e.f. 09/01/2019	12m MCLR + 1.25% i.e. 8.75% p.a.	1 8,51,850
Axis Bank Limited	Working Capital term loan	1,79,00,000	1,79,00,000	1,80,40,625	The term loan should be repaid in 36 months instalments after a moratorium period of 12 months from 30th Nov,2021. Tenure : 48 months w.e.f. 30/11/2021	Repo rate + 5.25% i.e. 9.25% p.a.	4,97,222
Axis Bank Limited	Fund Based (Cash Credit)	6,00,00,000	6,00,00,000	LC - 7,76,09,477 BG - 94,18,925	Margin for DP - Inventory - 25% Book Debts (upto 90 days) - 25% Repayment on Demand Yearly renewal. Renewal Due Date 30/09/2021	3m MCLR + 1.40% i.e. 8.85% p.a	N.A.
Axis Bank Limited	Non Fund Based (LC, BG etc)	3,00,00,000	3,00,00,000				N.A.
Union Bank of India	Cash Credit	7,00,00,000	7,00,00,000	3,46,80,287	Margin for DP - Inventory - 25% Book Debts - 30% Repayment on Demand Yearly renewal. Renewal Due Date 07/03/2021	12m MCLR + 5.20% i.e. 13.80% p.a	N.A.

c) Repayment of Subsidiary borrowing (Rs. 50 lakhs)

Our subsidiary M/s WeP Digital Services Limited, has a loan outstanding to the promoter entity for a sum of Rs.50 lakhs. Our company is already under the process of merging this subsidiary with our Company. A scheme to this effect has already been approved by the Board of Directors of both the companies. The merger is subject to approval of the NCLT, shareholders and creditors, both secured and unsecured of respective companies. Upon merger, we intend to repay the loan of Rs.50 lakhs taken by the subsidiary company back to the promoter entity.

Particulars	Details
Loan Agreement Dated	26th August 2019
Name of the Lender	WeP Peripherals Limited
Amount of Loan	Rs. 50,00,000/-
Rate of Interest	10.5% per annum
Disbursement schedule	Rs 30,00,000/- initially and Rs 20,00,000/- based on request within 6 months
Periodicity of interest payment	Monthly
Period of the loan	3 years
Repayment schedule	Bullet repayment on maturity
Call back option to the lender	3 months' notice to the borrower

Total borrowing proposed to be reduced/repaid:

Particulars	Rs. in lakhs
Long Term Loan (a)	425.94
Working Capital Loan Reduction (b)	200.00
Repayment of Subsidiary borrowing (c)	50.00
Total	675.94

The selection of borrowings proposed to be prepaid, repaid (earlier or scheduled) out of the borrowings provided above, shall be based on various factors including (i) repayment schedule of such borrowings, ii) cost of the borrowings to us, including applicable interest rates, (iii) levy of any prepayment penalties and the quantum thereof, (iv) provisions of any law, rules, regulations governing such borrowings, and (v) other commercial considerations including, among others, the interest rate on the loan facility, the amount of the loan outstanding and the remaining tenor of the loan.

Given the nature of these borrowings and the terms of repayment/ pre-payment, the aggregate outstanding loan amounts may vary from time to time. In addition to the above, we may, from time to time, enter into further financing arrangements and draw down funds thereunder. In such cases or in case any of the above loans are repaid/ pre-paid or further drawn-down prior to the completion of the Issue, we may utilize Net Proceeds towards repayment/ pre-payment of such additional indebtedness.

The repayment or pre-payment will help reduce our outstanding indebtedness and debt servicing costs on a consolidated basis, assist us in maintaining a favourable debt to equity ratio and enable utilisation of our internal accruals for further investment in business growth and expansion. In addition, the debt to equity ratio of our Company on a consolidated basis will improve enabling us to raise further resources in the future to fund potential business development opportunities and plans to grow and expand our business in the future.

2. Additional Working Capital Requirements (Rs. 150 lakhs)

We fund the majority of our working capital requirements in the ordinary course of our business from the cash credit borrowings from banks and internal accruals. We operate in a highly competitive and dynamic market conditions and may have to revise our estimates from time to time on account of external circumstances, business or strategy, foreseeable opportunity. Consequently, our fund requirements may also change.

Our business is predominantly working capital intensive. The company's existing operations require that the supplies and inventory be maintained at various locations across India for meeting customer service commitments.

Further, since the customers are usually large corporates, public sector banks etc, there are receivables for the products supplied and services rendered. The company also signed up for distribution of Ricoh products in Q4 FY 20 and has procured finished goods for sale in Indian market. This has resulted in an increase working capital investment. The trend of the working capital cycle for the company has been on an upward trend as given below and hence it is essential to augment its working capital resources. The company has working capital arrangements with Banks whereby finance is available for upto 75% of the current assets and the balance 25% is to be provided as margin by the company. With the increased working capital investment, the company will have to provide for additional long term funds by way of margin. The estimates for the current assets are given as under:

(Rs. in lakhs)

Particulars	Actuals FY 2019-20	Estimated FY 2020-21	Estimated FY 2021-22
Inventories	1,244.45	1,322.84	1,609.22
Trade receivables	1,341.01	1,430.52	1,587.84
Other current assets	468.62	494.86	518.10
Total Current Assets	3,054.07	3,248.22	3,715.16
Margin Money for Current Assets 25% of Current Assets	763.52	812.06	928.79
To be financed by			
Rights Issue	-	-	150.00
Internal accruals	763.52	812.06	778.79

Assumption for working capital requirements

Particulars	Holding Level as of FY 2019-20 (Actual)	Holding Level as of FY 2020-21 (Estimated)	Holding Level as of FY 2021-22 (Estimated)
Inventory Days	179	196	165
Receivables Days	72	88	77
Creditors Days	74	68	52
Net Working capital cycle	177	216	190

Inventory Days

The increase in Inventory days was due to lower than anticipated sales in FY 2020-21 due to Covid situation. In FY 2021-22, it is estimated to be back to regular levels with slight improvement.

Receivables days

Again due to the Covid-19 situation, there is a slight increase in the receivables days due to delay in collections from customers. This is expected to improve in 21-22, when activity levels are increased and more customers are operating at full capacity.

Creditors days

The creditors days have remained more or less same in FY20-21 as the company has been paying to all its vendors on time even during the times of pandemic. Further, due to the revised MSME norms, we expect that more suppliers will be eligible for registration which will result in the payments happening before 45 days as per law. Hence there is an estimate of lower days of creditors in the assumptions.

Basis of Estimation and Justification

The incremental working capital requirements and deployment are based on historical Company data, experience of our management team and our internal management appraisal and estimation of the future requirements considering the growth in activities of our Company.

The growth in the segments of Digital Services and distribution of Ricoh Printing products and solutions has provided our company an opportunity to utilize its growing potential for expansion in the coming years. Having the financial stability to contribute for the expansion is instrumental for the growth and development of the organization. Given the current pandemic situation and the future uncertain economic scenario both in India and across the world, it is imperative to augment the working capital resources of the company to meet any immediate requirement. The company intends to utilise a sum of Rs. 150 Lakhs towards this objective.

3. Issue Related Expenses (Rs. 60 lakhs)

The Issue related expenses include, among others, fees to various advisors, printing and distribution expenses, advertisement expenses, and registrar and depository fees. The estimated Issue related expenses are as follows :

Expenses	Amount (Rs. lakhs)	% of estimated issue expenses	% of issue size*
Fees payable to the intermediaries (Lead Manager fees, Legal Counsel fees, registrar fees and expenses etc)	39.00	65.00%	3.95%
Advertising and marketing expenses	9.00	15.00%	0.91%
Fees payable to regulators, including depositories, MCA, Stock Exchanges and SEBI	9.00	15.00%	0.91%
Other expenses (including miscellaneous expenses and stamp duty)	3.00	5.00%	0.30%
Total *	60.00	100.00%	6.08%

** Subject to finalisation of Basis of Allotment and actual Allotment. In case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall adjusted with the amount allocated towards general corporate purposes.*

4. General Corporate Purposes (Rs. 100.92 lakhs)

Our Company intends to deploy the balance Net Proceeds towards general corporate purposes, subject to such utilization not exceeding 25% of the Gross Proceeds, in compliance with applicable laws, to drive our business growth, including, amongst other things, (a) brand building and other marketing expenses; (b) funding growth opportunities, including strategic initiatives; (c) acquiring assets, such as plant and machinery, furniture and fixtures, and intangibles; (d) acquisitions in pursuance of inorganic growth opportunities; (e) meeting any expenses incurred in the ordinary course of business by us, including salaries and wages, rent, administration expenses, insurance related expenses, reduction of consolidated borrowings and the payment of taxes and duties; (f) meeting of exigencies which we may face in course of any business; and (g) any other purpose as permitted by applicable laws and as approved by the Rights Issue Committee.

Interim use of Net Proceeds

Our Company, in accordance with the policies of established by the Board, from time to time, will have the flexibility to deploy the Net Proceeds. Pending utilisation for the purposes described above, we undertake to temporarily invest the funds from the Net Proceeds in deposits with one or more scheduled commercial banks included in the Second Schedule of Reserve Bank of India Act, 1934, for the necessary duration.

Bridge financing facilities and other financial arrangements

Our Company has not raised any bridge loan from any bank or financial institution as on the date of the Letter of Offer, which are proposed to be repaid from the Net Proceeds.

Monitoring of Utilisation of Funds

Since the Issue is for an amount less than ₹ 10,000 lakhs, in terms of Regulation 16(1) of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for the purposes of the Issue.

As required under the SEBI Listing Regulations, the Audit Committee appointed by the Board shall monitor the utilization of the proceeds of the Issue. We will disclose the details of the utilization of the Net Proceeds of the Issue, including interim use, under a separate head in our financial statements specifying the purpose for which such proceeds have been utilized or otherwise disclosed as per the disclosure requirements.

Pursuant to Regulation 32 of the SEBI Listing Regulations, our Company shall, on an annual basis or on such periodicities as may be prescribed, prepare a statement of funds utilised for purposes other than those stated above and place it before our Audit Committee, until such time the full money raised through this Issue has been fully utilized. The statement shall be certified by the Statutory Auditors of our Company. Our Audit Committee shall make recommendations to our Board for further action, if appropriate.

Appraising Agency

None of the Objects for which the Net Proceeds will be utilised, require appraisal from any agency in terms of applicable law.

Other Confirmations

Other than as disclosed above, no part of the Issue proceeds will be paid by our Company to our Promoter, our Promoter Group or our Directors.

Strategic or financial partners to the project or objects of the issue

There are no strategic or financial partners to the Objects of the Issue

Schedule of Deployment of Funds towards the Object of the Issue is as under:

(Rs. in lakhs)

Serial	Particulars	Already incurred	FY 2021-22	Total
1	Reduction of consolidated borrowings of our Company	277.78	398.16	675.94
2	Towards meeting the additional working capital requirements	-	150.00	150.00
3	Expenses of the Issue	4.00	56.00	60.00
4	General Corporate purposes	-	100.92	100.92
	Total	281.78	705.08	986.86

In the event of the estimated utilization of the Issue Proceeds in the scheduled Fiscal is not undertaken in its entirety, the remaining Issue Proceeds shall be utilized in subsequent Fiscals, as may be decided by our Company, in accordance with applicable laws. Further, if the Issue Proceeds are not completely utilised for the Objects during the respective period stated above due to factors such as (i) economic and business conditions; (ii) timely completion of the Issue; (iii) market conditions outside the control of our Company; and (iv) any other commercial considerations, the remaining Issue Proceeds shall be utilised (in part or full) in subsequent periods as may be determined by our Company in accordance with applicable laws. The requirement and deployment of funds indicated above is based on internal management estimates, current circumstances of our business and prevailing market conditions.

Deployment of funds till date

As on January 31, 2021, our Company has deployed a sum of Rs. 281.78 lakhs towards the objects of the issue mentioned above (*certified by L S Balaji & Co., Chartered Accountants vide their letter dated February 5, 2021*). The details of the deployment are as under :

Particulars	Rs. in lakhs
Deployment of funds	
• Long term loan instalments paid already from internal accruals during the period August 2019 to January 2021 (Axis Bank Limited)	277.78
• Issue expenses	4.00
Total	281.78
Source of funds	
• Internal accruals	281.78
Total	281.78

Interest of Promoter, Promoter Group and Directors, as applicable to the objects of the Issue

Other than as disclosed above, no part of the Issue proceeds will be paid by our Company to our Promoter, our Promoter Group or our Directors.

STATEMENT OF TAX BENEFITS

Statement of possible special tax benefits available to the Company and its Shareholders

The Board of Directors
WeP Solutions Limited
40/1 A, Basappa Complex, Lavelle Road
Bengaluru 560 001

Sub : Statement of Special Possible Tax Benefits available to WeP Solutions Limited and its shareholders

We report that the enclosed statement in the Annexures, states the possible special tax benefits under direct and indirect tax laws and Income tax Rules, 1962 including amendments made by the Finance Act, 2020 and the Taxation Laws (Amendment) Act, 2019 (hereinafter referred to as 'Income Tax Laws'), the Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Customs Act, 1962, Customs Tariff Act, 1975, as amended, the rules and regulations, circulars and notifications issued there under, Foreign Trade Policy presently in force in India, available to the Company and its shareholders. Several of these benefits are dependent on the Company and its shareholders, as the case may be, fulfilling the conditions prescribed under the Act. Hence, the ability of the Company and its shareholders to derive the special tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Company and its shareholders faces in the future, the Company and its shareholders may or may not choose to fulfill.

The benefits discussed in the enclosed Statement cover only special tax benefits available to the Company, and to the shareholders of the Company and are not exhaustive and also do not cover any general tax benefits available to the Company. Further, any benefits available under any other laws within or outside India have not been examined and covered by this Statement.

The benefits discussed in the enclosed Annexures are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Offer. Neither are we suggesting nor advising the investor to invest in the Offer, based on this statement.

We do not express any opinion or provide any assurance as to whether:

- (i) the Company or its shareholders will continue to obtain these benefits in future; or
- (ii) the conditions prescribed for availing the benefits have been/would be met with.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

Yours faithfully,
For N. M. Raiji & Company
Chartered Accountants
Firm Regn. No.: 108296W

Vinay D. Balse
Membership No.: 039434
UDIN: 21039434AAAAAV1480

Place: Mumbai
Date: February 5, 2021

ANNEXURE 1**STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO WeP SOLUTIONS LIMITED (THE "COMPANY") AND ITS SHAREHOLDERS****I. UNDER THE INCOME-TAX ACT, 1961 (hereinafter referred to as the 'Act')****1. Special tax benefits available to the Company under the Act**

There are no special tax benefits available to the Company.

2. Special tax benefits available to the shareholders under the Act

There are no special tax benefits available to the shareholders of the Company.

Notes:

- a) The above Statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.
- b) The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.
- c) The above statement of possible tax benefits is as per the current direct tax laws relevant for the assessment year 2021-22.
- d) This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
- e) In respect of non-residents, the tax rates and consequent taxation will be further subject to any benefits available under the relevant DTAA, if any, between India and the country in which the non-resident has fiscal domicile.
- f) No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

ANNEXURE 2**STATEMENT OF INDIRECT TAX BENEFITS AVAILABLE TO WeP SOLUTIONS LIMITED
(THE "COMPANY") AND ITS SHAREHOLDERS****II The Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 ("GST Act"), the Customs Act, 1962 ("Customs Act") and the Customs Tariff Act, 1975 ("Tariff Act") (collectively referred to as "indirect tax")****1. Special indirect tax benefits available to the Company under the Act**

There are no special indirect tax benefits available to the Company.

2. Special indirect tax benefits available to the shareholders under the Act

There are no special indirect tax benefits applicable in the hands of shareholders for investing in the Shares of the Company.

Notes:

- a) The above statement is based upon the provisions of the specified Indirect tax laws, and judicial interpretation thereof prevailing in the country, as on the date of this Annexure.
- b) The above statement covers only above-mentioned tax laws benefits and does not cover any income tax law benefits or benefit under any other law.
- c) This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
- d) No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

SECTION - VI

ABOUT US

Industry Overview

WeP Solutions Limited is in the following lines of business:

- a) Managed Printing Services
- b) Digital Services
- c) Retail Printing Services

Managed Printing Services (MPS)

Printing is an integral part of an organization's functioning. This is identified as a crucial but not core activity and so is considered suitable for outsourcing. MPS is a professional solution to the organization's printing needs at an enterprise level. This requires study and assessment of organisation's printing needs and providing cost effective and efficient solution including selection and provision of hardware, installing control systems, provision of maintenance and other support services. This methodical approach and professional management of printing is known as Managed Printing Services.

The MPS market is still under explored in India, despite the fact that India is one of the fastest growing global markets in the sector. The impact of the economic downturn in India made most organisations re-think their costs. MPS became an attractive proposal because it offered lower total management costs (both visible and invisible) while enabling businesses to focus on their core tasks. The majority of MPS commitments come from mid-market to enterprise levels of accounts. However, small and medium enterprises are also opening up towards the innovative ideas of total management cost optimisation and are now considered a potential market in India for MPS. Some major sectors understanding the benefits of MPS are education, BFSI, manufacturing, healthcare, and IT. Most of the MPS tie-ups are with local branches of multinational organisations or rapidly emergent national firms. The future for MPS is promising with high prospects of the service becoming assimilated with mainstream practices of most enterprises.

While it is true that Printing is on the decline with the advent of Digital transactions, the penetration of MPS in India is still very low. In India, it is estimated that still more than 70% of the enterprises are buying the printer and managing it themselves. Government is still a large portion of such customers. With a penetration level of less than 30%, MPS in India still has a huge potential as more and more enterprises are looking to opt for MPS in order to achieve cost reduction and efficiency. Globally MPS penetration levels are anywhere between 60% to 80%. India is slowly but steadily moving towards the same.

Government is a late entrant in the MPS adoption. Furthermore, many small enterprises are realising the benefits of MPS and are opting for this solution. Quasi Government bodies, Courts, corporations, educational institutions etc have huge print volumes and are fast adopting the MPS way.

Digital Services:

Digital services is a broad category of services to a business enterprise which includes conversion of certain services on a digital mode or provision of services on an available digital platform. Indian economy and business practices have been moving towards digitisation over the past 2 decades but the pace of digitisation has got multiplied in the last five years with the Govt's push to digitisation of government services, e-filing of multiple returns, digital certification etc. as part of Digital India program.

One of the latest and biggest reforms of recent times is the implementation of GST across the country in 2017. GST ushered in 2 important changes – new and efficient structure of levy of taxes and since the roll out was on digital platform the collection, monitoring and management of the levy was also efficient. As GST impacted crores of business enterprises across India, the service providers for this new 'digitally levied tax' were in huge demand. GSTIN portal statistics shows 1.28 crore registered GST taxpayers. Goods and service tax network (GSTN) a fully owned Government body, appointed GST Suvidha Providers (GSP's) to support them in handling the expected huge GST compliances. Taxpayers had an option to directly go through GSTN or GSP's.

WeP is one of the GSTN appointed GSP in the 1st phase of GST roll out. The speed at which GST had to be implemented and adopted by the Indian enterprises, led to moving away from our traditional approach. The way forward was Software as a Service (SaaS) based GST offering, this was the best way WeP Digital could have to handle GST implementation and extend its support to enterprises. WeP Digital embraced the market need and WeP SaaS-based GST was built to address Indian indirect taxation requirement very early in the GST implementation. WeP SaaS-based GST helps businesses and enterprises with their GST data validation, GST filing, reconciliation, notification to their vendors on missing/ mismatch of data, E-way bill, eInvoice all under a single umbrella. Further to this, the SaaS offering of WeP GST has built-in Restful API to integrate with ERP's to fully automate the process.

Indian GST regime for sure opened the doors wide open for SaaS products to enter Indian enterprises. Before GST many enterprises had reservations about putting their data on the cloud, the change in perception has led enterprises to move more of their technology-based business requirement on the cloud. WeP took this opportunity to bring in more SaaS-based niche offering for enterprises such as Employee records management system, Management of change, Procure to Pay, vendor management, so on and so forth through WeP Document Management System (DMS). The SaaS-based WeP DMS has 4 major components Low Code Development Platform (LCDP), Document Repository, Workflow, and Business Intelligence.

Low Code Development Platform (LCDP) - coding environment for building applications via graphical user interfaces and configuration instead of conventional hard-coded programming.

Document management system (DMS) - is a system used to receive, track, manage, and securely store documents and reduce paper. It is also capable of keeping a record of the various versions created and modified by different users.

Workflow management system (WMS) - is a software tool designed to help streamline routine business processes for optimal efficiency. It also involves creating a form to hold data and automating a sequential/parallel path of tasks for the data to follow until it is fully processed.

Business Intelligence (BI)- In practice, organizations use modern business intelligence when they have a comprehensive view of their data. The data is used to drive change, eliminate inefficiencies, and quickly adapt to market or supply changes.

Indian enterprises are adopting Digital ways of working necessitated by the need for becoming more innovative, competitive and being closer to customers. The Government of India is inclined to continue making various service deliveries through Digital Channels. It will usher in the era of more transparency, accountability, and speed. The current pandemic has added to the speed of Digital adoption to enable remote working a reality. WeP is well positioned to participate in this Digital Transformation journey by bringing various cloud-based solutions on the table for mid-market and large enterprises and help them become more efficient, productive, compliant and more profitable. WeP is currently providing solutions around both DMS and GST and is working towards developing and providing its own technology-based products and solutions.

Digital is now 'present' as well 'future'. However, as the opportunity is huge so is the competition and also the dynamically changing needs and demands of the consumers, availability of technology and rapid changes, global disruption scenarios for existing solutions and very short span of time to generate revenues from a solution. The realization of the opportunity depends upon the ability of a solution providers to correctly gauge the emerging trends, assess the opportunity both in terms of size and time and devising and implementing right business strategies to capitalize the opportunities.

Retail Printing Services

In India, it is estimated that approximately 18Mn retail stores operate. The estimates of segment wise presence is as under:

Segment of Retail	No in Mn
Restaurants	3.06
Grocery	9.54
Clothing and Footwear	0.54
Pharmacies	0.80
Stationery	0.74
Jewellery	0.54
Bakeries	1.80
Others	0.90
Total	17.92

- Of the above, it is again estimated that approximately 89% are in unorganised segment.
- For every 100 people, there is 1 retail store in India.

WeP is focused on making this "unorganised retail" automated and become more efficient by adopting technology. Our devices and solutions are focused on making the job of these entrepreneurs easy, hassle free and enabling them to provide efficient and better customer service. With approximately 18Mn the market size translates to approximately INR 13000 crores. Currently this space is highly fragmented with many small players. Current penetration of this market is estimated to be just around 5% to 10% and that too in tier 1 and tier 2 cities. Once this market starts entering the Tier 3 and below cities/towns, there will be huge potential for these products. With continuous product innovations and unique capability to function as a standalone device, which is completely designed, developed and manufactured by WeP, WeP's retail portfolio is perfectly positioned to take the next giant leap. WeP is launching the next generation cloud based products based as its latest offering for this segment.

The biggest challenge for the unorganized retail or unorganised sector at large is the willingness and the capability to undertake business process change. There are challenges at management intention, financial ability and manpower capability to understand, adopt and implement the changes.

Disclaimer All the above information is gathered from multiple sources, both online and offline, combined with our market surveys and studies. The assumptions, market size potential figures etc. are arrived based on these data points coupled with our assessment and assumptions based on our experience and history in these business lines. The actual figures projected may be vastly different from what we have arrived

Our History and Business Overview

Our Company was originally incorporated as Datanet Corporation Limited under the Companies Act, 1956 and the Certificate of Incorporation was issued by the Addl. Registrar of Companies, NCT of Delhi & Haryana on March 1, 1995. The Certificate of Commence of Business was issued by the Asst. Registrar of Companies, NCT of Delhi & Haryana on March 15, 1995. The Registered Office of the Company was shifted from NCT Delhi to the State of Karnataka, which was duly noted by the Registrar of Companies, Karnataka, Bangalore on August 18, 1999 vide their Certificate of Registration of the Order of Court Confirming Transfer of the Registered Office from one State to another. The name of the Company was changed to the WeP Solutions Limited and a Fresh Certificate of Incorporation consequent to change of name issued on December 23, 2011 by the Registrar of Companies, Karnataka, Bengaluru.

During the year 2010, our Company entered into a Scheme of Arrangement whereby our Company acquired the Managed Printing Solutions business from wep solutions india limited. Thereafter, it had changed its name from Datanet Systems Limited to WeP Solutions Ltd during December 2011. In the year 2012, WeP Solutions Limited acquired the Printing Business division of WeP Peripherals Limited through a Scheme of Arrangement in order to expand and provide both its Enterprise and Channel customers, a bouquet of Printing Products, Solutions and Services. While WeP Solutions Limited acquired these businesses in the last 10 years, these businesses have a history of growth and innovation for almost two decades.

Our registered and corporate office is situated in Bengaluru, Karnataka. Our factory is situated in Baddi, Himachal Pradesh. We also have a warehousing and small component manufacturing facility at Mysore, Karnataka. For sales and marketing as well as support services we have branches / offices at 11 locations across India. As on date, we have 112 employees, of which 39 are deployed at our factory.

Over the past 10 years, WeP now has a diversified portfolio of business lines with 3 business units viz. WeP Managed Printing Services (MPS), WeP Digital and WeP Retail Printing Services. The 3 businesses operate in distinct domains and reach out to different sets of customers.

WeP MPS provides end-to-end Printing solutions to large enterprises, WeP Retail provides billing and business solutions to the large unorganized retail sector in India and WeP Digital offers GST, Aadhaar, Document Management Services (DMS) and Payment solutions to both enterprises and retailers. There are 2 common factors that unify these different businesses viz. a track record of continuous Innovation and a shared set of Values.

(A) Managed Print Services

The past two decades witnessed a major shift in India's economic landscape. As the gates opened for global players to invest in India, as a result, businesses started expanding. And so did the operations. In the process, the need for printing multiplied manifold. Enterprises started realizing that printing not only dealt with procurement of printers and toners, but it also required a dedicated team that could understand, analyse and implement the systemic changes needed for efficient printing.

That's when WeP stepped into the action and launched Managed Print Services (MPS) in India. WeP understood that printing is a complete ecosystem in itself and negligence in any one area can result in a tremendous rise in both operational costs and security threats. WeP MPS transforms this process by managing the entire Print requirements from end-to-end and providing customized solutions. From streamlining the entire print infrastructure and

establishing print policies for large organizations to maintaining a printer's health by providing timely resolution, WeP is a one-stop solution for all printing needs

MPS helps organizations by delivering significant cost savings, boosts employee productivity and reduces avoidable waste. It helps organizations to optimize or manage a company's document output without compromising on the quality. MPS is used extensively for managing complex IT infrastructure in large enterprises, thereby boosting the growth of the segment.

Every organization value the benefit of cost reduction, corporate productivity, seamless operation, and greater secured infrastructure when it comes to their enterprise printing requirement.

The key role of WeP MPS includes:

- a) Understanding the complete printing process of the organization and thereby catering to the needs by developing customized technological solutions.
- b) Catering to the needs of an organisation by providing customized solutions like specific types of printers, toners, management tools, security etc.
- c) Supplying printer spare consumables such as toners, standby printers and cartridges and ensuring no downtime in printing.
- d) Providing end-to-end support, print policies and services which includes providing onsite resource and support.
- e) Asset Management solutions wherein WeP manages printers of a customer without any initial investments.

Managing the existing printer infrastructure is totally automated. With WeP Device management solutions (DMS) one can easily check the comprehensive view of all the printer connected with a network on a single dashboard. The Dashboard shows the live status of the printer, total pages printed in a month, the IP address of printers, etc . With the remote monitoring capabilities supply and service alerts are sent to the appropriate departments which helps in maintaining printer uptime close to 100%.

(B) WeP Digital Services

The Digital India initiative was launched by the Government on July 1, 2015 with the vision of transforming our nation and creating opportunities for all citizens by harnessing digital technologies. The initiative includes plans to connect rural areas with high speed internet as well as to streamline businesses, transactions, authentications, verifications and data management through the digital platform.

WeP is committed to play a prominent role in helping India achieve this futuristic dream. This is what gave birth to WeP Digital. It all began in the year 2017 with an aim to devise tailor made digital solutions for future problems. The areas of operations include GST, Aadhaar services, Document Management, Retail Automation Solutions, Business Services, Compliance Services and Payment Services. WeP's aim is to help every business, small, medium or large, be it a startup or companies that have been in the market for a long time and develop solutions customized to their needs. It also includes providing digital business solutions through cloud based technology for retail and enterprise units. WeP Digital's vision is to be the largest digital service provider in the country by 2022 to both enterprise and retail segments.

In the enterprise business segment, WeP offers digital business solutions to medium and large enterprises. From managing documents to helping them file their GST returns to developing app based tracking services to making operations easy, WeP Digital takes care of it all with its customized end-to-end digital solutions.

With large businesses and huge transactions, paperwork is at the core of an organization's day-to-day operations. This is where WeP Document Management Solutions (DMS) helps ease the process. Managing a mountain of documents is a huge task for companies, making it essential for companies to have a dedicated team for the same. This increases the costs as well as results in wastage of important human work hours. WeP Digital has helped create an automated environment for managing crucial documents. From cloud-based storage of data to creating applications that ensure paperless operations to enabling access of crucial documents at their fingertips, WeP DMS does it all.

WeP DMS services have been well acknowledged by the industry. With its new initiatives, WeP provides tailored and scalable solutions to facilitate Smart Content Collaboration and Process Automation for Enterprises. WeP DMS enhances Process Digitization for proper documentation storage. The solution is designed to streamline workflows, aggregate all kinds of communication, track and ensure data compliance and secure digital assets with adequate disaster recovery. It is deployed as on-premise or cloud-based solution depending on the client's choice. Adding a feather to the cap of WeP Digital is the fact that it was recently featured amongst the 20 most promising DMS solutions providers for the year 2018. The acknowledgement was from CIO Review.

(C) WeP Retail Printing Services

The Indian Retail Industry has emerged as one of the most dynamic and fast-paced industries due to the entry of several new players.

The WeP Billing Printers help firms in the traditional sector do their work more efficiently by providing solutions which are customized to each sector. The WeP Billing Printers are deployed extensively in Food & Beverages (Fast Food stalls, Bakeries, Restaurants and Ice Cream shops) followed by Grocery, Textiles, Footwear and Jewellery Outlets. The WeP Billing Printers have helped them migrate from physical bills to electronic bills, besides equipping them to manage their businesses in a more tech savvy and effective manner. At the most basic level, WeP provides Billing Services at the most affordable, simple and compact level. The biggest transformation is from handwritten to print bills. We also help them in Cash management, Inventory Management and Profit Management. The customer then ultimately migrates to the Digital phase. WeP is thus present at all stages of the customer's journey.

WeP's all-in-one point of sale solutions, cloud and mobile based applications are thus fulfilling a fundamental need gap in the Traditional Retail Market.

The WeP Retail team works closely with customers, understands the stated and unstated needs and provides them with customized solutions. WeP Retail rolled out many innovative products like BP Gold - specific to the Jewellery segment, BP Joy series - the most affordable 2 inch and 3 inch billing printers and several others.

OUR MANAGEMENT

Board of Directors

Our Board of Directors presently consists of seven Directors. The Articles of Association provide that our Company shall not have less than three Directors and not more than such number as provided in the Companies Act, 2013.

Pursuant to the provisions of the Companies Act, 2013, at least two-third of the total number of Directors, excluding the Independent Directors, are liable to retire by rotation, with one-third of such number retiring at each AGM. A retiring Director is eligible for re-election. Further, an Independent Director may be appointed for a maximum of two consecutive terms of up to five consecutive years each. Any re-appointment of Independent Directors shall, inter alia, be on the basis of the performance evaluation report and approved by the shareholders by way of Special Resolution.

The following table sets forth details regarding our Board of Directors as of the date of this Letter of Offer

Name, Designation, Address, Date of Appointment/ Re-appointment, Term, Period of Directorship, Occupation, and DIN	Age (in years)	Other Directorships as on the date of this Letter of Offer
Mr. Ram N Agarwal Designation : Managing Director Address : 2091B, 16th B Main Hal II Stage, Bengaluru-560008, Karnataka DIN : 00006399 Date of Birth : October 31, 1946 Term : 24 months w.e.f 16/02/2021 <i>(Subject to the approval of members in the ensuing AGM)</i> Period of Directorship : Since 12/11/2011 Occupation : Professional	74	WeP Peripherals Limited wep solutions india limited E-Peripherals Trading Limited RNAWEP Investments Private Limited e-Merge Power Solutions Private Limited
Mr. H V Gowthama Designation : Independent Director Address : No.23/57, East End C Main 41st Cross, 9th Block, Jayanagar, Bengaluru-560069. DIN : 00250122 Date of Birth : February 5, 1948 Term : 60 months w.e.f 14/11/2018 Period of Directorship : Since 14/11/2018 Occupation : Professional	72	Digico India Private Limited Kamerad News Advertising Private Limited Vertex Electronics Private Limited Eamo Technologies Private Limited
Mr. Shankar Jaganathan Designation : Independent Director Address : 42, Prudence Court, 18th Cross, Malleswaram, Bengaluru-560055 DIN : 02121024 Date of Birth : August 21, 1960 Term : 60 months w.e.f 27/08/2020 Period of Directorship : Since 08/05/2010 Occupation : Professional	60	Right Horizons Financial Services Private Limited Cimplifyfive Corporate Secretarial Services Private Limited Right Horizons Portfolio Management Private Limited

Name, Designation, Address, Date of Appointment/ Re-appointment, Term, Period of Directorship, Occupation, and DIN	Age (in years)	Other Directorships as on the date of this Letter of Offer
Ms. Mythily Ramesh Designation : Independent Director Address : Flat 302, Sparta 2, Prestige Acropolis No.20, Hosur Road, Bengaluru-560029 DIN : 06959991 Date of Birth : March 16, 1965 Term : 24 months w.e.f 26/09/2019 Period of Directorship : Since 23/09/2014 Occupation : Professional	55	The Karnataka Bank Limited KBL Services Limited WeP Digital Services Limited
Mr. G H Visweswara Designation : Independent Director Address : #189 2nd B Cross, Near Domlur Club, Domlur 2nd Stage, Bengaluru-560071 DIN : 00662212 Date of Birth : September 2, 1950 Term : 60 months w.e.f 22/09/2016 Period of Directorship : Since 29/05/2013 Occupation : Professional	70	WeP Digital Services Limited
Mr. Ayyagari Lakshmanarao Designation : Non-Executive Director Address : Villa G22, Yamlurowaners Association Epsilon, Yemlur Village Road, Bangaluru - 560037 DIN : 02919040 Date of Birth : September 6, 1948 Term : 1 year w.e.f. 06/11/2020 Period of Directorship : Since 30/04/2011 Occupation : Professional	72	Sumeru Software Solutions Private Trianz IT & Cloud Solutions Private Limited Trianz V BPO Services Private Limited WeP Peripherals Limited Trianz Holdings Private Limited WeP Digital Services Limited Sumeru Enterprise Tiger Business Solutions Private Limited Novaark Digital Consulting Private Limited Partner, BCIL Yelahanka Projects LLP
Mr. Sandeep Kumar Goyal Designation : Whole Time Director / CFO Address : D 511, Brigade Gardenia, RBI Layout, JP Nagar, Bengaluru - 560 078 DIN : 3023842 Date of Birth : September 24, 1980 Term : 60 months w.e.f 01/07/2020 Period of Directorship : Since 01/07/2020 Occupation : Professional	40	wep solutions india limited WeP Digital Services Limited e_Merge Power Solutions Private Limited

Confirmations

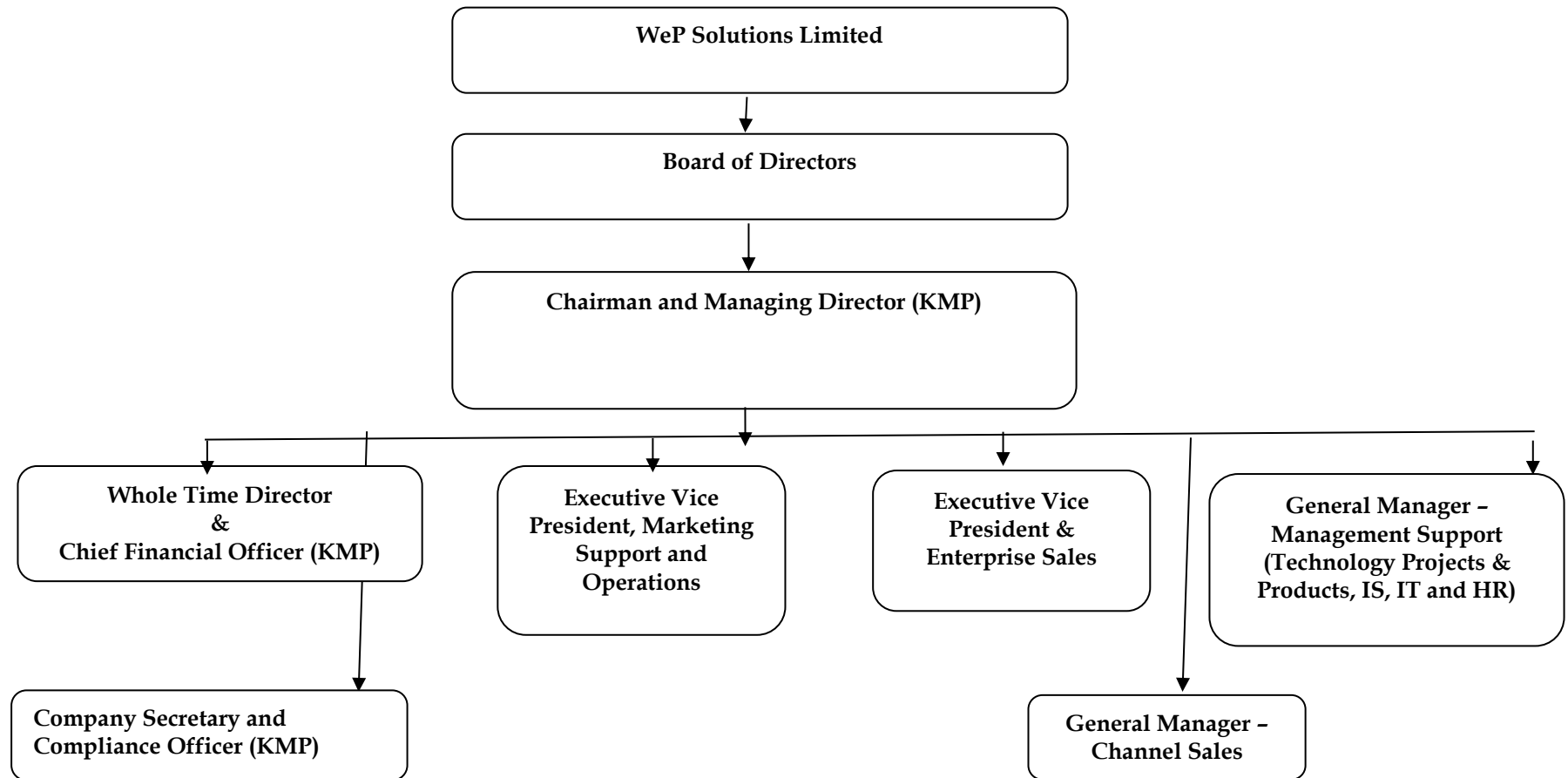
None of our Directors is or was a director of any listed company during the last five years preceding the date of filing of this Draft Letter of Offer, whose shares have been or were suspended from being traded on BSE or NSE, during the term of their directorship in such company.

None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange in India, during the term of their directorship in such company, in the last ten years immediately preceding the date of filing of this Draft Letter of Offer:

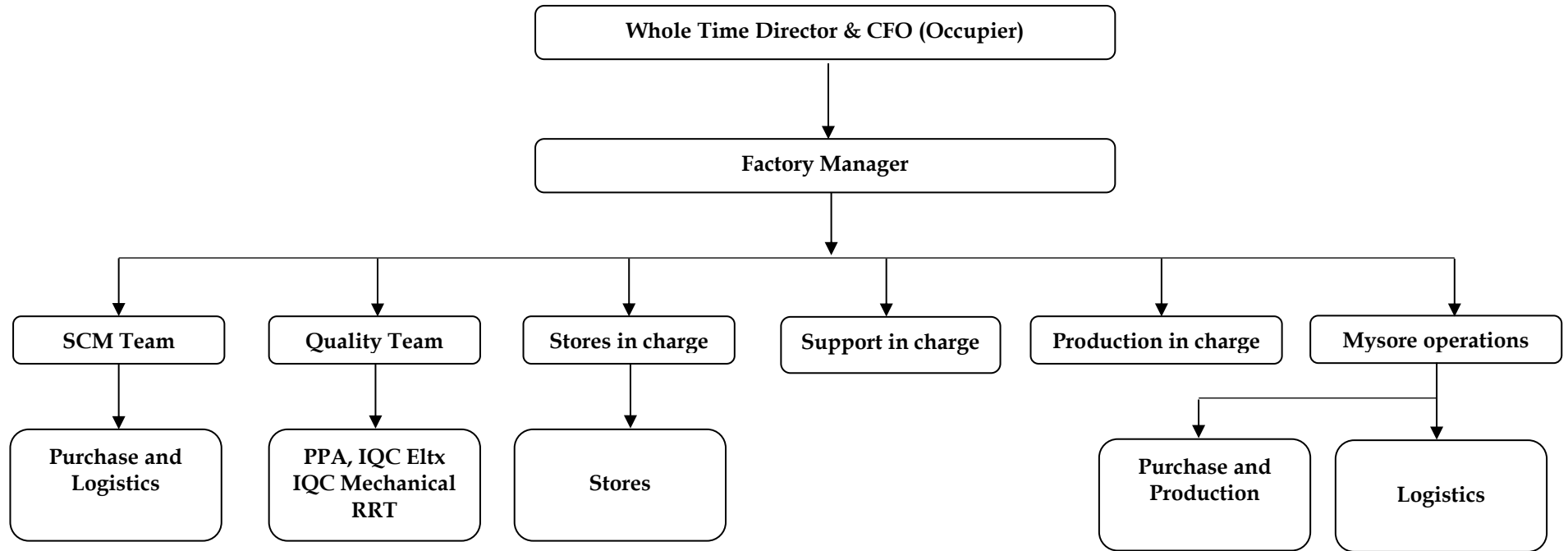
Details of Key Management Personnel

Name & Designation	Qualification	Date of appointment	Shareholding in the Company
Mr. Ram Narayan Agarwal Managing Director	BTech from IIT Kanpur PGDM from IIM, Kolkata	Since inception of the Company	19,73,014 Equity Shares (7.50%)
Mr. Sandeep Kumar Goyal Wholetime Director / CFO	Chartered Accountant	Since 2003	96,528 Equity Shares (0.37%)
Ms. Sujata Pratik Shaha Company Secretary and Compliance Officer	Company Secretary	July 2, 2014	4,200 Equity Shares (0.02%)

Current organisation structure



FACTORY ORGANISATION CHART



SECTION - VII

FINANCIAL INFORMATION - FINANCIAL STATEMENTS

Serial	Particulars	Page
1	Audited Financial Statements as at and for the year March 31, 2020	56
2	Limited Review Financial Information for the six-month period ended December 31, 2020	95

Independent Auditor's Report

To
The Members
WeP Solutions Limited.

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

1. We have audited the consolidated Ind AS financial statements of **WeP Solutions Limited**. (hereinafter referred to as the "Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated balance sheet as at 31st March 2020, and the consolidated statement of Profit and Loss, consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "the consolidated financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS 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, of the consolidated state of affairs of the Group as at March 31, 2020, of consolidated loss, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	<p>Recognition, Measurement, Presentation and Disclosure of Leases in view of adoption of Ind AS 116 "Leases".</p> <p>The Group has applied Ind AS 116 to all contracts existing and entered into on or after April 1, 2019.</p> <p>Ind As 116 requires the Company to recognise Right of Use asset (ROU) and lease liability at the inception of Lease. The lease liability is measured at present value of future lease payments payable under lease arrangement discounted at Company's incremental borrowing rate.</p> <p>Refer note 1.A.18 to Consolidated financial statements.</p>	<p><u>Principal audit procedures</u></p> <ol style="list-style-type: none"> 1. We have assessed Group's policy for: <ul style="list-style-type: none"> • Identification of lease arrangement/contract • Assessment of lease term • Arriving discount rate to discount future lease payments payable as per lease arrangement. 2. The Group's lease assets primarily consist of buildings. In addition to the above we have performed the following: <ul style="list-style-type: none"> • Gone through the arrangements with landlords to identify whether particular arrangement would be classified as lease or not and to identify lease term. • Verified mathematical accuracy of workings provided by management to calculate lease liability and cost of ROU asset. • Upon transition (i.e. as on 1st April, 2019) verified the transition process and related adjustments. • Verified that all disclosures required as per Ind AS 116 is made in financial statements.
2	<p>Adequacy of Provision for bad & doubtful debts / Adequacy of allowance for Credit losses against Trade Receivables. In calculating the expected credit losses the Company has calculated the probability of default by also taking into account the estimated effect of COVID-19.</p> <p>As at March 31, 2020, carrying amount of allowance for credit losses is Rs. 8.74 crores against total dues of Rs. 22.15 crores from Trade receivables.</p>	<p><u>Principal Audit Procedures</u></p> <p>We obtained the Group's process / policy / basis of:</p> <ul style="list-style-type: none"> - identifying and classifying Trade receivables into following categories <ol style="list-style-type: none"> a. Trade Receivables considered good b. Trade Receivables which have significant increase in credit risk c. Trade Receivables credit impaired - calculating amount of allowance thereon. <p>Our audit approach consisted of following procedure:</p> <ul style="list-style-type: none"> • Assessing reasonableness of basis of identifying and classifying into different categories as mentioned above. • Verification of basis of calculating amount of allowance thereon. • Selected sample of parties and verified the identification and classification of parties based on Group's policy into different categories as mentioned above. • Recalculated the amount of allowance by redefining the % of credit allowance based on past 1.5 yrs. data and satisfied ourselves that allowance provided is sufficient to indicate credit risk.

Sr. No.	Key Audit Matter	Auditor's Response
3	<p>Reversal of Deferred Tax Asset</p> <p>During the year ended March 31, 2020, Deferred Tax Asset amounting to Rs. 12,559,095/- in respect of carry forward losses has been reversed by the Management as in view of the additional uncertainty caused by COVID 19 situation on forecasted profits and on the return to normalcy, it would be prudent not to continue to recognize the Deferred Tax Asset.</p>	<p><u>Principal Audit Procedures</u></p> <p>Verified the circumstances in which the Company operates and it is observed that there is an additional uncertainty caused by COVID 19 on realisation of forecasted profits used by management to calculate Deferred Tax Assets and satisfied ourselves that the stand taken by the management is prudent and in line with the Ind AS 12 – Income Taxes</p>

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

5. The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records, in accordance with the provisions of the Act, for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
7. The respective Board of Directors of the companies included in the Group are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is

sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company and its subsidiary company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention, in our auditor's report, to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.
10. We communicate with those charged with governance of the Holding company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
12. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

13. As required by Section 143(3) of the Act, we report that:
- a. We have sought and obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

- b. In our opinion, proper books of account, as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Company, so far as it appears from our examination of those books.
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
- d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2020 taken on record by the Board of Directors of the Company and its subsidiary incorporated in India and the reports of the statutory auditors of its subsidiary company, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, The Company has not paid any Managerial remuneration to its directors under the provisions of section 197 of the Act during the year.

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 29 to the consolidated financial statements.
 - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the holding company and its subsidiary company.

For N.M. Raiji & Co.
Chartered Accountants
Firm Registration No.: 108296W

CA S.N. Shivakumar
Partner
Membership No.: 088113
UDIN: 20088113AAAAAJ3706

Place: New Delhi
Date: June 15, 2020.

Annexure - A

To the Independent Auditor's Report of even date on the Consolidated Financial Statements of WeP Solutions Limited

(Referred to in Paragraph 13 point (f) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)

1. Report on the Internal Financial Controls under Clause(i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of **WeP Solutions Limited** ("the Company") and its subsidiary company, which are companies incorporated in India, as of that date.

2. Management's Responsibility for Internal Financial Controls

The respective Boards of Directors of the Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

3. Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its subsidiary company, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its subsidiary companies, which are incorporated in India.

4. Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting

includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

5. Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

6. Opinion

In our opinion, to the best of our information and according to explanation given to us, the Company and its subsidiary company, which are incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For N.M. Raiji & Co.
Chartered Accountants
Firm Registration No.: 108296W

CA S.N. Shivakumar
Partner
Membership No.: 088113

Place: New Delhi
Date: June 15, 2020.

WeP Solutions Limited

Consolidated Balance Sheet as at March 31, 2020

PART I – BALANCE SHEET				(in Rs)
	Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
1	ASSETS			
	Non-current assets			
	a) Property, Plant and Equipment	2	310,414,765	297,629,226
	b) Capital work-in-progress	2 & 3	21,701,340	25,644,968
	c) Other Intangible assets	3	10,678,974	16,571,695
	d) Financial Assets			
	i. Other financial assets	4(c)	9,779,066	4,830,961
	e) Deferred tax assets (net)	5	37,171,888	48,449,706
	f) Other non-current assets	6	35,936,888	41,624,221
			425,682,921	434,750,777
2	Current assets			
	a) Inventories	7	124,445,281	101,463,402
	b) Financial Assets			
	i. Trade receivables	4(a)	134,100,543	129,386,440
	ii. Cash and cash equivalents	4(b)	1,124,998	562,092
	iii. Bank balances other than (ii) above	4(d)	1,464,258	1,500,916
	iv. Other financial assets	4(c)	3,902,509	8,535,033
	c) Other current assets	8	40,369,874	28,089,945
			305,407,463	269,537,828
	Total Assets		731,090,384	704,288,605
3	EQUITY AND LIABILITIES			
	Equity			
	a) Equity Share capital	9(a)	263,169,545	262,098,545
	b) Other Equity			
	i. Reserves & Surplus	9(b)	152,386,648	171,683,335
			415,556,193	433,781,880
4	LIABILITIES			
	Non-Current Liabilities			
	a) Financial Liabilities			
	i. Borrowings	10(a)	57,556,970	37,632,030
	ii. Other financial liabilities	10(c)	12,319,777	-
	b) Provisions	11	12,512,428	11,947,013
	c) Other non-current liabilities	12	1,514,148	1,654,913
			83,903,323	51,233,956
5	Current Liabilities			
	a) Financial Liabilities			
	i. Borrowings	10(a)	42,001,370	36,494,284
	ii. Trade payables	10(b)		
	A) Total outstanding dues of Micro and small enterprises		4,215,188	309,498
	B) Total outstanding dues of creditors other than micro and small enterprises		47,114,097	37,059,938
	iii. Other financial liabilities	10(c)	86,355,378	90,311,335
	b) Other current liabilities	12	50,446,425	52,898,175
	c) Provisions	11	1,498,410	2,199,539
			231,630,868	219,272,769
	Total Equity and Liabilities		731,090,384	704,288,605

(See Accompanying Notes to the Financial Statements)
As per our report attached

For N M Raiji & Co
Chartered Accountants
Firm Reg. No.: 108296W
S. N. Shivakumar

Partner
Membership No. : 88113

Place: New Delhi
Date: June 15, 2020

For and on behalf of the Board of Directors

H V Gowthama
Director
DIN: 00250122

Sandeep Goyal
Chief Financial Officer

Place: Bengaluru
Date: June 15, 2020

Ram N Agarwal
Chairman & Managing Director
DIN: 00006399

Sujata Pratik Shaha
Company Secretary

WeP Solutions Limited

Consolidated Statement of Profit and Loss for the year ended March 31, 2020

PART II – STATEMENT OF PROFIT AND LOSS					(in Rs)
	Particulars	Note No.	For the Year ended March 31, 2020	For the Year ended March 31, 2019	
I	Revenue From Operations	13	683,721,909	766,972,565	
II	Other Income	14	8,961,093	8,580,381	
III	Total Income (I+II)		692,683,002	775,552,946	
	EXPENSES				
a	Cost of materials consumed	15	190,105,177	229,013,233	
b	Purchases of Stock-in-Trade	16	86,069,430	78,959,312	
c	Changes in Inventories of Work-in-Progress, Stock-in-Trade and Finished Goods	17	(22,626,176)	1,337,991	
d	Employee benefits expense	18	121,034,877	150,156,709	
e	Other expenses	19	184,311,011	227,460,562	
f	Depreciation and amortization expense	21	129,031,029	110,646,604	
g	Finished goods capitalised		-	(150,449)	
IV	Total Expenses		687,925,348	797,423,962	
	Profit / (loss) Before Depreciation, Interest, Exceptional Items and Tax (III-IV)		4,757,654	(21,871,016)	
h	Finance Costs	20	13,350,502	10,363,953	
V	Profit / (loss) Before Exceptional Items and Tax		(8,592,848)	(32,234,970)	
VI	Exceptional Items		-	-	
VII	Profit / (loss) Before Tax (V-VI)		(8,592,848)	(32,234,970)	
	Tax Expense:				
VIII	1) Current tax		5,666,355	1,480,156	
	2) Tax Adjustments Pertaining to Previous Year		16,452	(1,119,396)	
	3) Deferred tax	33	6,932,196	(1,218,323)	
IX	Profit / (Loss) for the year from Continuing Operations (VII-VIII)		(21,207,851)	(31,377,407)	
X	Profit / (loss) from discontinued operations		-	-	
XI	Tax expense of discontinued operations		-	-	
XII	Profit / (loss) from Discontinued operations (after tax) (X-XI)		-	-	
XIII	Profit/(loss) for the year (IX+XII)		(21,207,851)	(31,377,407)	
XIV	Other Comprehensive Income				
	A (i) Items that will not be reclassified to profit or loss		16,014	(164,645)	
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(6,125)	48,381	
	B (i) Items that will be reclassified to profit or loss		-	-	
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-	
XV	Total Comprehensive Income for the year (XIII+XIV) (Comprising Profit / (Loss) and Other Comprehensive Income for the year)		(21,197,962)	(31,493,671)	
XVI	Earnings per equity share:				
	1) Basic	27	(0.81)	(1.23)	
	2) Diluted	27	(0.80)	(1.21)	

(See Accompanying Notes to the Financial Statements)
As per our report attached

For N M Raiji & Co
Chartered Accountants
Firm Reg. No.: 108296W
S. N. Shivakumar

Partner
Membership No. : 88113

Place: New Delhi
Date: June 15, 2020

For and on behalf of the Board of Directors

H V Gowthama
Director
DIN: 00250122

Sandeep Goyal
Chief Financial Officer

Place: Bengaluru
Date: June 15, 2020

Ram N Agarwal
Chairman & Managing Director
DIN: 00006399

Sujata Pratik Shaha
Company Secretary

WeP Solutions Limited

Consolidated Statement of Cash Flows for the year ended March 31, 2020

(in Rs)

	Particulars	March 31, 2020	March 31, 2019
A	Cash Flow From Operating Activities		
	Profit / (Loss) before Income tax from Continuing Operations	(8,592,848)	(32,234,970)
	Profit before Income tax	(8,592,848)	(32,234,970)
	Adjustment for:		
	Depreciation & Amortisation	129,031,029	110,646,604
	Provision for doubtful debts	6,140,059	10,146,435
	Employee share based payment expense	1,911,274	6,723,067
	Actuarial Gains/Losses recognised in Other Comprehensive Income	16,014	(164,645)
	Loss / (Profit) on Sale of Fixed Assets	1,727,928	1,986,162
	Net Exchange differences	959,994	258,243
	Interest Income	(41,789)	(21,643)
	Interest Expense	13,350,502	10,721,939
	Changes in Operating assets and liabilities		
	(Increase) / Decrease in Inventories	(22,944,639)	15,396,707
	(Increase) / Decrease in Trade Receivables	(10,594,909)	(21,210,296)
	(Increase) / Decrease in Other Current Assets	(12,279,929)	(9,009,577)
	(Increase) / Decrease in Other Bank Balances	36,659	16,624
	(Increase) / Decrease in Other Current Financial Assets	4,573,356	(760,336)
	(Increase) / Decrease in Other Non Current Financial Assets	(4,918,937)	1,725,195
	(Increase) / Decrease in Other Non Current Assets	15,382,551	796,671
	Increase / (Decrease) in Provisions	(135,714)	(457,961)
	Increase / (Decrease) in Trade Payables	12,996,226	(41,385,594)
	Increase / (Decrease) in Other Current Liabilities	(4,116,744)	1,043,597
	Increase / (Decrease) in Other Non Current Liabilities	(140,764)	(728,144)
	Increase / (Decrease) in Other Current Financial Liabilities	(19,444,366)	24,053,796
	Cash Generated from Operations	102,914,953	77,541,873
	Income taxes paid	11,038,529	13,123,354
	Net Cash From Operating Activities	91,876,424	64,418,519
B	Cash Flow From Investing Activities		
	Purchase of Property, Plant & Equipment (including CWIP)	(94,805,340)	(97,465,011)
	Purchase of Intangible Assets	(630,500)	(14,836,116)
	Proceeds from Sale of Fixed Assets	13,260	948,881
	Interest Income	41,789	21,643
	Net Cash Used In Investing Activities	(95,380,791)	(111,330,602)
C	Cash Flow From Financing Activities		
	Proceeds from Issue of Shares	1,071,000	45,867,000
	Share issue expenses	(10,000)	(445,000)
	Interest paid	(13,350,502)	(10,721,938)
	Proceeds / (Repayment) of Borrowings	10,507,087	(40,089,189)
	Repayment of Lease obligations	(12,557,232)	-
	Proceeds of Term Loan	18,406,920	52,446,830
	Net Cash From / (Used for) Financing Activities	4,067,273	47,057,703
	Net Increase / (Decrease) In Cash And Cash Equivalents - (A+B+C)	562,906	145,620
	Cash and Cash Equivalents at the beginning of the year / period	562,092	416,472
	Cash and Cash Equivalents at the end of the year / period	1,124,998	562,092

For and on behalf of the Board of Directors

As per our report attached

For N M Raiji & Co
Chartered Accountants
Firm Reg. No.: 108296W
S. N. Shivakumar

Partner
Membership No. : 88113

Place: New Delhi
Date: June 15, 2020

H V Gowthama
Director
DIN: 00250122

Sandeep Goyal
Chief Financial Officer

Place: Bengaluru
Date: June 15, 2020

Ram N Agarwal
Chairman & Managing Director
DIN: 00006399

Sujata Pratik Shaha
Company Secretary

WeP Solutions Limited

Consolidated Statement of Changes in Equity for the year ended March 31, 2020

STATEMENT OF CHANGES IN EQUITY

A. Equity Share Capital

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the reporting year	262,098,545	251,231,545
Changes in equity share capital during the year / period	1,071,000	10,867,000
Balance at the end of the reporting year/period	263,169,545	262,098,545

B. Other Equity

Particulars	Reserves and Surplus					Total
	Capital Reserve	General Reserve	Securities Premium	Stock Options Outstanding	Retained Earnings	
Opening Balance at April 1, 2018	31,327,459	1,017,105	87,604,068	8,732,183	26,081,147	154,761,962
Share Issue Expenses					(445,000)	(445,000)
Impact due to adoption of Ind AS115 under cumulative catch-up method					(7,863,023)	(7,863,023)
Profit for the year					(31,377,407)	(31,377,407)
Other Comprehensive Income for the year					(116,264)	(116,264)
Premium on Conversion of Warrants			50,000,000			50,000,000
Transfer to General Reserve		547,774		(547,774)		-
Transfer from Stock Options Outstanding a/c			2,388,117	(2,388,117)		-
Employee stock options expense				6,723,067		6,723,067
Closing Balance as at March 31, 2019	31,327,459	1,564,879	139,992,185	12,519,359	(13,720,547)	171,683,335
Opening Balance at April 1, 2019	31,327,459	1,564,879	139,992,185	12,519,359	(13,720,547)	171,683,335
Share Issue Expenses					(10,000)	(10,000)
Profit for the year					(21,207,851)	(21,207,851)
Other Comprehensive Income for the year net of taxes					9,890	9,890
Transfer to General Reserve		936,169		(936,169)		-
Transfer from Stock Options Outstanding a/c			4,360,323	(4,360,323)		-
Employee stock options expense				1,911,274		1,911,274
Closing Balance as at March 31, 2020	31,327,459	2,501,048	144,352,508	9,134,141	(34,928,508)	152,386,648

- a) **Capital Reserve** – This represents the value of bargain purchase gain upon acquisition and is not freely available for distribution
- b) **Retained Earnings / General Reserve** – These are free reserves that are available for distribution of dividends. Retained earnings comprises of the Company's undistributed earnings after taxes.
- c) **Securities Premium Reserve:** Securities premium reserve is used to record the premium on issue of shares. The reserve is utilized in accordance with the provision of section 52 of the Companies Act, 2013.
- d) **Share Option Outstanding Account** - The share option outstanding account is used to recognize the value of equity-settled sharebased payments provided to employees, including key management personnel.
- e) **Other Comprehensive Income:** Changes in the fair value of financial instruments measured at fair value through other comprehensive income and actuarial gains and losses on defined benefit plans are recognized in other comprehensive income (net of taxes), and presented within equity as other comprehensive income.

(See Accompanying Notes to the Financial Statements)
As per our report attached

For N M Raiji & Co
Chartered Accountants
Firm Reg. No.: 108296W
S. N. Shivakumar

Partner
Membership No. : 88113

Place: New Delhi
Date: June 15, 2020

For and on behalf of the Board of Directors

H V Gowthama
Director
DIN: 00250122

Sandeep Goyal
Chief Financial Officer

Place: Bengaluru
Date: June 15, 2020

Ram N Agarwal
Chairman & Managing Director
DIN: 00006399

Sujata Pratik Shaha
Company Secretary

Corporate Information

The consolidated financial statements comprise financial statements of WeP Solutions Limited (the Group) and its 100% subsidiary, WeP Digital Services Limited (formerly known as eRM solutions private limited) (collectively, the Group) for the year ended March 31, 2020. The Group is a public Group domiciled in India and is incorporated under the provisions of the Companies Act. Its shares are listed on Bombay Stock Exchange and the registered office of the Group is located at 40/1A, Basappa complex, Lavelle Road, Bangalore 560 001.

The Group is principally engaged in the business of providing Managed Printing Solutions and Services, Manufacturing and distribution of Retail billing products and providing digital services like GST, Document Management solutions etc to both enterprise and retail customers pan India.

1. Significant Accounting Policies and Other explanatory information to the Consolidated Financial Statements for the year ended March 31, 2020

A. Significant accounting policies

The significant accounting policies applied by the Group in the preparation of its Consolidated financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these Consolidated financial statements, unless otherwise indicated.

A.1. Statement of Compliance

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

A.2. Basis of preparation

a) Basis of preparation

These Consolidated financial statements have been prepared in Indian Rupees (₹) which is the functional currency of the Group.

These Consolidated financial statements have been prepared on historical cost basis, except for certain financial instruments which are measured at fair value or amortised cost at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods or services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All assets and liabilities have been classified as current and non-current as per the Parent Group's normal operating cycle.

b) Principles of Consolidation

- i) The Consolidated Financial statements of the Group and its subsidiary have been consolidated on a line by line basis by adding together the book value of like items of assets, liabilities, income and expenses, after fully eliminating the intra-group balances and transactions resulting in unrealised profits and losses.
- ii) The Consolidated Cash Flow Statement have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to in the same manner as the Group's separate financial statements.
- iii) The Consolidated Financial Statements include the financial statements of WeP Solutions Limited and its wholly-owned subsidiary, WeP Digital Services Limited.

A.3. Use of Estimates

The preparation of these consolidated financial statements is in conformity with the recognition and measurement principles of Ind AS which requires the management of the Group to make estimates and

assumptions that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Changes in estimates are reflected in the financial statements in the period in which the changes are made.

Significant judgements and estimates relating to the carrying amounts of assets and liabilities include useful lives of property, plant and equipment and intangible assets, impairment of property, plant and equipment, intangible assets, provision for employee benefits and other provisions and recoverability of deferred tax assets.

A.4. Revenue Recognition

The Group earns revenue primarily from Managed Printing Solutions and Services, Manufacturing and Distribution of Retail Billing Products and providing Digital Services like GST etc. to both enterprise and retail customers, pan India.

Effective April 1, 2018, the group has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Group has adopted Ind AS 115 using the cumulative catch-up method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services.

- Contracts with customers are considered for revenue recognition only if (a) the contract having commercial substance is approved and the parties have committed to perform their respective obligations; (b) respective rights of the parties with respect to goods or services to be transferred are identified; (c) the payment terms for goods or services to be transferred are clear and (d) it is probable that consideration would be collected in exchange for the goods or services that would be transferred to the customer. At the inception of the contract, either a transfer of distinct good or service to the customer or a series of distinct goods and services that are substantially the same and that have the same pattern of transfer to the customer are identified as performance obligation. Revenue is recognised when the performance obligation is satisfied by transferring the promised good or service to a customer and the customer obtains controls over it.
- Revenue from sale of devices is recognised at the point in time when the physical possession is transferred and the right to receive payment is established.

Dividend income from investments is recognised when the shareholder's right to receive payment has been established. Interest income is recognised on a time proportion basis.

A.5. Inventories

Inventories are stated at lower of cost and net realizable value. Cost is determined using the weighted average method. Costs comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value is the price at which the inventories can be realised in the normal course of business, after allowing for the cost of conversion from their existing state to a finished condition and for the cost of selling and distribution.

Obsolete, slow moving and defective inventories are identified from time to time and where necessary, a provision is made for such inventories.

A.6. Property, plant and equipment

An item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the Group and its cost can be measured reliably. This recognition principle is applied to the costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. Borrowing Cost directly attributable to the construction on production of qualifying assets are capitalised as a part of cost. All other repair and maintenance costs, including regular servicing, are recognised in the Statement of Profit and Loss, as and when incurred.

All property, plant and equipment are stated at cost of acquisition or construction, less accumulated depreciation and impairment loss, if any. Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use. Capital Work-in-Progress is stated at cost, comprising of direct cost and related incidental expenditure.

The gain or loss arising on disposal of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset, and is recognised in the Statement of Profit and Loss.

A.7. Intangible assets

Software costs, both acquired and internally generated, are recognised as intangible assets only where they are clearly linked to long term economic benefits for the Group. They are amortized on a straight-line basis over their estimated useful lives. All other costs on software are expensed in the Statement of Profit and Loss as and when incurred.

Expenditure during development phase of internally generated software is recognized as intangible assets if all of the following conditions are met:

- i) completion of the development is technically feasible;
- ii) it is the intention to complete the intangible asset and use or sell it;
- iii) it is clear that the intangible asset will generate probable future economic benefits;
- iv) adequate technical, financial and other resources to complete the development and to use or sell the intangible asset are available; and
- v) it is possible to reliably measure the expenditure attributable to the intangible asset during its development.

Recognition of costs as an asset is ceased when the project is complete and available for its intended use, or if these criteria no longer apply.

Where development activities do not meet the conditions for recognition as an asset, any associated expenditure is treated as an expense in the period in which it is incurred

A.8. Depreciation and amortization of property, plant and equipment and intangible assets

Depreciation or amortization is provided on the straight-line method over the useful lives of assets estimated by the management. The estimated useful lives of assets are as follows:

Assets	Useful Life applied (In Years)
Computers	3.00
Furniture and Fixtures - Owned Premises	10.00
Furniture and Fixtures - Leased Premises	5.00
Office Equipment	5.00
Plant and Equipments including Electrical installations	4.00

Assets	Useful Life applied (In Years)
Computer Peripherals - on Use and Pay	4.00
Vehicles	8.00
Air Conditioners	4.00
Moulds, Dies & Patterns	5.00
Building	30.00

Intangible assets are amortized over their respective individual estimated useful lives as estimated by the management on a straight-line basis as follows:

Assets	Amortization in Yrs
Computer Software – ERP Systems	4.00
Computer Software	2.00
Technical Know-how	5.00

A.9. Impairment of Assets

At each balance sheet date, the Group reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that the carrying amount of those assets may not be recoverable through continuing use.

If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss, if any. Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of the fair value, less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value, using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset, for which the estimates of future cash flows have not been adjusted. An impairment loss is recognised in the Statement of Profit and Loss as and when the carrying amount of an asset exceeds its recoverable amount.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately.

A.10. Foreign Currency Transactions

The financial statements of the Group are presented in INR, which is the functional currency of the Group and the presentation currency for the financial statements. Foreign currency transactions are recorded at the exchange rate prevailing on the date of transaction.

At the end of each reporting period, all monetary items denominated in foreign currencies are translated at the rates prevailing as at the balance sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

The exchange difference arising on account of the difference between the rates prevailing on the date of transaction and on the date of settlement, as also on translation of monetary items at the end of the year is recognized as income or expense, as the case may be, in the Statement of Profit and Loss for the year.

A.11. Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other

than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss, are immediately recognised in the Statement of Profit and Loss.

Effective interest method:

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

a) Financial assets

Financial assets at amortised cost:

Financial assets are subsequently measured at amortised cost, if these financial assets are held within a business model whose objective is to hold these assets, in order to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Investment in subsidiaries / associates are accounted at cost.

Financial assets measured at fair value:

Financial assets are measured at fair value through other comprehensive income, if these financial assets are held within a business model, whose objective is to hold these assets in order to collect contractual cash flows, or to sell these financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets not measured at amortised cost, or at fair value through other comprehensive income, are carried at fair value through profit or loss.

Impairment of financial assets:

The Group assesses, on a forward looking basis, the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Derecognition of financial assets:

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity..

b) Financial liabilities and equity instruments

Classification as debt or equity:

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity is recorded at the proceeds received, net of direct issue costs.

Financial Liabilities:

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method.

Interest-bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowing costs.

Derecognition of financial liabilities:

The Group derecognises financial liabilities when the Group's obligations are discharged, cancelled or they expire..

A.12. Employee Benefits**i) Short Term Employee Benefits:**

Short Term Employees Benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related services is rendered.

ii) Other long-term employee benefit obligations:

Leave Encashment: Liability in respect of leave encashment as at the balance sheet date is determined based on actuarial valuation, by using the Projected Unit Credit Method and gains/losses for the year are recognized immediately in the Statement of Profit and Loss.

iii) Post Employment Benefits:

Provident Fund: The Group contributes monthly at a determined rate. These contributions are remitted to the Employee Provident Fund Commissioner office and are charged to the Statement of Profit and Loss on accrual basis..

Gratuity: The Group provides for gratuity (a defined benefit retirement plan) to all the eligible employees. The benefit is in the form of lump sum payments to vested employees on retirement, on death while in employment, or termination of employment for an amount equivalent to 15 days' salary, payable for each completed year of service. Vesting occurs on completion of five years of service. Liability in respect of gratuity as at the balance sheet date is determined on the basis of actuarial valuation, using the Projected Unit Credit Method. Re-measurement gains and losses of the net defined benefit liability/(asset) are recognised immediately in other comprehensive income. The service cost, net interest on the net defined benefit liability / (asset) is treated as a net expense within employment costs and are recognized immediately in the Statement of Profit and Loss..

iv) Employee Stock Options:

All employee services received in exchange for the grant of any share based remuneration are measured at their fair values. These are indirectly determined by reference to the fair value of the share options awarded. Their value is appraised at the grant date and excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets).

All share-based remuneration is ultimately recognised as an expense in the Statement of Profit and Loss, with a corresponding credit to Employee Stock Compensation Reserve. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised, if there is any indication that the number of share options expected to vest differs from previous estimates. Once vested, no adjustment is made to expense recognised in prior periods if, ultimately, fewer share options are exercised than originally estimated. Upon exercise of share options, the proceeds received (net of any directly attributable transaction costs) up to the nominal value of the shares issued are allocated to share capital with any excess being recorded as Securities Premium.

A.13. Borrowing Costs

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of those assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for intended use. All other borrowing costs are recognised as an expense in the Statement of Profit and Loss in the period in which they are incurred.

A.14. Earning Per Share

In accordance with the Ind AS 33 "Earnings Per Share", basic / diluted earnings per share is computed by taking the weighted average number of shares outstanding during the period.

A.15. Taxation

Tax expense for the year comprises of current tax and deferred tax.

The tax currently payable is based on the taxable profit for the year. Taxable profit differs from net profit, as reported in the Statement of Profit and Loss, because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the Consolidated financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences. In contrast, deferred tax assets for all deductible temporary differences and unused tax losses are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred tax assets are reviewed at each balance sheet date for the appropriateness of their respective carrying values.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax are recognised as an expense or income in the Statement of Profit and Loss, except when they relate to items credited or debited either in other comprehensive income or directly in equity, in which case the tax is also recognised in other comprehensive income or directly in equity.

Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax during the specified period. Accordingly, MAT entitlement is recognised as an asset in the Balance Sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with it will fructify. Such asset is reviewed at each balance sheet date and the carrying amount of MAT credit asset is written down to the extent there is no longer a convincing evidence for the effect that the Group will pay normal income tax during the specified period.

A.16. Warranty Cost

The Group accrues the estimated cost of warranties at the time when the revenue is recognised. The accruals are based on the Group's historical experience of material usage and service delivery cost.

A.17. Provisions

Provisions are recognized in the balance sheet when the Group has a present obligation (legal or constructive) as a result of a past event, which is expected to result in an outflow of resources embodying economic benefits which can be reliably estimated. Each provision is based on the best estimate of the expenditure required

to settle the present obligation at the balance sheet date. When appropriate, provisions are measured on a discounted basis.

Constructive obligation is an obligation that derives from a Group's actions where:

- a) by an established pattern of past practice, published policies or a sufficiently specific current statement, the Group has indicated to other parties that it will accept certain responsibilities; and
- b) as a result, the Group has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

A.18. Leases

The Group's lease asset classes primarily consist of leases for land and buildings. The Group, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contracts existing and entered into on or after April 1, 2019.

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

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's long term borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets (assets of less than INR 5,000 in value). The Group recognises the lease payments associated with these leases as an expense over the lease term.

A.19. Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, demand deposits with bank, and other short term highly liquid investments, with original maturities of 3 months or less.

Note 3: Intangible Assets

Particulars	Computer Software	Computer Software - ERP System	Total	Capital work in progress
<u>Year ended March 31, 2019</u>				
Gross carrying amount				
Opening gross carrying amount	11,783,364	4,393,222	16,176,586	-
Additions	2,793,860	12,042,256	14,836,116	
Disposals	-	-	-	
Adjustments	-	-	-	
Closing gross carrying amount	14,577,224	16,435,478	31,012,702	-
Accumulated Depreciation				
Opening accumulated depreciation	6,237,840	513,899	6,751,739	
Depreciation charge during the year	4,176,634	3,512,634	7,689,268	
Disposals	-	-	-	
Adjustments	-	-	-	
Closing accumulated depreciation	10,414,474	4,026,533	14,441,007	
Net carrying amount	4,162,750	12,408,945	16,571,695	-
<u>Year ended March 31, 2020</u>				
Gross carrying amount				
Opening gross carrying amount	14,577,224	16,435,478	31,012,702	-
Additions	630,500	-	630,500	
Disposals	-	-	-	
Adjustments	-	-	-	
Closing gross carrying amount	15,207,724	16,435,478	31,643,202	-
Accumulated Depreciation				
Opening accumulated depreciation	10,414,474	4,026,533	14,441,007	
Additions	2,454,660	4,068,561	6,523,221	
Disposals	-	-	-	
Adjustments	-	-	-	
Closing accumulated depreciation	12,869,134	8,095,094	20,964,228	
Net carrying amount	2,338,590	8,340,384	10,678,974	-

Note:

a) Computer Software includes capitalised development costs being an internally generated intangible asset.

Note 4: Financial Assets**4 (a) Trade Receivables**

Particulars	As at March 31, 2020	As at March 31, 2019
Trade Receivables	221,502,647	210,678,487
Allowances for Credit Losses	(87,402,104)	(81,292,047)
Total Receivables	134,100,543	129,386,440
Current portion	134,100,543	129,386,440
Non-current portion	-	-

Break-Up of Security details

Particulars	As at March 31, 2020	As at March 31, 2019
Outstanding for more than six months from the due date		
Secured, considered good	-	-
Unsecured, considered good	11,743,656	7,675,733
Receivables which have significant Credit Risk	86,127,811	74,020,284
	97,871,467	81,696,017
Allowances for Credit Losses	(86,127,808)	(74,020,286)
Sub total	11,743,659	7,675,731
Other receivables		
Secured, considered good	-	-
Unsecured, considered good	122,356,884	121,710,709
Receivables which have significant Credit Risk	1,274,296	7,271,761
	123,631,180	128,982,470
Allowances for Credit Losses	(1,274,296)	(7,271,761)
Sub total	122,356,884	121,710,709
Total Trade Receivables	134,100,543	129,386,440

4 (b) Cash and Cash Equivalents

Particulars	As at March 31, 2020	As at March 31, 2019
Balances with Banks		
- in current accounts	1,124,998	562,092
Total cash and cash equivalents	1,124,998	562,092

4 (c) Other Financial Assets

Particulars	As at March 31, 2020	As at March 31, 2019
<u>Non current</u>		
Security Deposits	7,887,974	2,698,903
Other Deposits	1,240,519	1,269,919
Margin money deposits with bank	650,573	774,672
Interest accrued on margin money deposits with bank	-	87,467
Total other financial assets - non current	9,779,066	4,830,961
<u>Current</u>		
Security Deposits	3,479,888	7,708,144
Other Deposits	317,980	722,480
Margin money deposits with bank	100,000	100,000
Interest accrued on margin money deposits with bank	4,641	4,409
Total other financial assets - current	3,902,509	8,535,033

4 (d) Other Bank Balances

Particulars	As at March 31, 2020	As at March 31, 2019
Balance in Unclaimed Dividend Accounts with Banks	1,464,258	1,500,916
Total other Bank balances	1,464,258	1,500,916

Note 5: Deferred Tax Assets

Particulars	As at March 31, 2020	As at March 31, 2019
Tax losses	-	12,559,095
Defined Benefit obligations & allowance on payment basis	4,643,417	4,330,049
Allowance for doubtful debts - trade receivables	24,295,467	22,593,785
Others	1,212,285	1,121,576
Total deferred tax assets	30,151,169	40,604,505
Depreciation on Property, plant and equipment	5,124,595	8,669,582
Total deferred tax liability	5,124,595	8,669,582
Net deferred tax assets	25,026,574	31,934,923
MAT Credit Receivable	12,145,314	16,514,783
Net deferred tax assets	37,171,888	48,449,706

Note 6: Other Non Current Assets

Particulars	As at March 31, 2020	As at March 31, 2019
Prepayments	763,139	860,953
Taxes / Refunds recoverable	35,173,749	40,763,268
Total other non-current assets	35,936,888	41,624,221

Note 7: Inventories

Particulars	As at March 31, 2020	As at March 31, 2019
(At lower of cost and net realisable value)		
Raw Materials		
- In Stock	21,251,206	22,758,081
- In Transit	-	-
Work-in-progress	1,792,100	1,833,535
Finished goods		
- In Stock	3,515,284	2,106,124
- In Transit	3,238,441	606,101
Traded goods		
- In Stock	36,458,779	17,834,512
- In Transit	1,845	-
Spares and Consumables		
- In Stock	57,814,231	56,208,950
- In Transit	373,395	116,099
Total Inventories	124,445,281	101,463,402

Note 8: Other Current Assets

Particulars	As at March 31, 2020	As at March 31, 2019
Prepayments	6,140,339	6,953,977
Balance with Excise/Customs/GST input credit	33,323,143	18,793,887
Claims Receivable	906,392	2,342,081
Total other current assets	40,369,874	28,089,945

Note 9(a): Equity Share Capital**i) Authorised Equity Share Capital**

Particulars	As at March 31, 2020	As at March 31, 2019
3,00,00,000 Equity Shares of Rs 10 each	300,000,000	300,000,000
Total other current assets	300,000,000	300,000,000

ii) Issued, Subscribed and paid up capital

Particulars	As at March 31, 2020	As at March 31, 2019
2,63,16,372 Equity Shares of Rs 10 each fully paid up (2019 - 2,62,09,272)	26,31,69,545	26,20,98,545
Total	26,31,69,545	26,20,98,545

iii) Movements in Equity Share Capital

Particulars	Number of shares	Amount
As at April 1, 2018	25,122,572	251,231,545
Exercise of options - proceeds received	86,700	867,000
Issue of Equity on Conversion of Warrants	1,000,000	10,000,000
As at March 31, 2019	26,209,272	262,098,545
Exercise of options - proceeds received	107,100	1,071,000
As at March 31, 2020	26,316,372	263,169,545

Terms and rights attached to equity shares

Equity shares have a par value of INR 10. They entitle the holder to participate in dividends, and to share in the proceeds of winding up the company in proportion to the number of and amounts paid on the shares held.

Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote per share

Shares reserved for issue under options

Information relating to ESOP plans of the Group companies, including details of the options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in Note 25.

iv) Shares in the Company held by each shareholder holding more than 5 percent of the Shares:

Particulars	As at March 31, 2020	As at March 31, 2019
RNAWEP Investments Private Limited		
No of Shares	3,260,403	3,260,403
% Holding	12.39%	12.44%
Ram N Agarwal		
No of Shares	1,973,014	3,005,056
% Holding	7.50%	11.47%
WeP Peripherals Limited		
No of Shares	4,090,361	3,058,319
% Holding	15.54%	11.67%
Wipro Limited		
No of Shares	1,836,000	1,836,000
% Holding	6.98%	7.01%
Sharad Kanayalal Shah		
No of Shares	1,502,359	1,433,285
% Holding	5.71%	5.47%

v) Aggregate Number of Shares Issued for Consideration other than Cash

Particulars	As at March 31, 2020	As at March 31, 2019
Shares issued as consideration for acquisition of business	22,213,645	22,213,645

Note 9(b): Reserves and Surplus

Particulars	As at March 31, 2020	As at March 31, 2019
Securities Premium	144,352,508	139,992,185
Share options outstanding account	9,134,141	12,519,359
Capital Reserve	31,327,459	31,327,459
General Reserve	2,501,048	1,564,879
Retained earnings	(34,928,508)	(13,720,547)
Total reserves and surplus	152,386,648	171,683,335

i) Securities Premium

Particulars	As at March 31, 2020	As at March 31, 2019
Opening Balance	139,992,185	87,604,068
Preferential Issue	-	50,000,000
Exercise of Options	4,360,323	2,388,117
Closing Balance	144,352,508	139,992,185

ii) Share Options Outstanding Account

Particulars	As at March 31, 2020	As at March 31, 2019
Opening Balance	12,519,359	8,732,183
Employee stock options expense	1,911,274	6,723,067
Transfer to Securities Premium on exercise of options	(4,360,323)	(2,388,117)
Transfer to General Reserve	(936,169)	(547,774)
Closing Balance	9,134,141	12,519,359

iii) Capital Reserve

Particulars	As at March 31, 2020	As at March 31, 2019
Opening Balance	31,327,459	31,327,459
Closing Balance	31,327,459	31,327,459

iv) General Reserve

Particulars	As at March 31, 2020	As at March 31, 2019
Opening Balance	1,564,879	1,017,105
Transfer from Stock options outstanding	936,169	547,774
Closing Balance	2,501,048	1,564,879

v) Retained earnings

Particulars	As at March 31, 2020	As at March 31, 2019
Opening Balance	(13,720,547)	26,081,147
Adjustment for Ind AS 115 Impact under cumulative catch-up method	-	(7,863,023)
Net profit for the period	(21,207,851)	(31,377,407)
Share Issue expenses	(10,000)	(445,000)
Items of other comprehensive income		
Actuarial Gains / (Losses) net of taxes	9,890	(116,264)
Closing Balance	(34,928,508)	(13,720,547)

Note 9(c): Others

Particulars	As at March 31, 2020	As at March 31, 2019
Opening Balance	-	15,000,000
Upper Front Consideration received on Issue of Warrants pending conversion	-	-
Utilised on Conversion of Warrants to Equity Shares	-	15,000,000
Closing Balance	-	-

Note 10: Financial Liabilities**10(a) Borrowings**

Particulars	As at March 31, 2020	As at March 31, 2019
<u>Non Current</u>		
Secured		
<i>From Banks</i>		
Term Loan	52,556,970	37,632,030
Unsecured		
<i>From Other Parties</i>		
Term Loan	5,000,000	-
Total Non Current Borrowings	57,556,970	37,632,030
<u>Current</u>		
Loans Repayable on Demand		
Secured		
<i>From Banks</i>		
Cash Credit Account	42,001,370	36,494,284
Total Current Borrowings	42,001,370	36,494,284

- i) Cash Credit facilities are secured by hypothecation of Inventories & book debts of the company.
- ii) Term Loan amounting to Rs. 8.19 Crores is repayable in 60 installments. It carries an interest rate of 10 % p.a. and is secured by -
- Primary Security: Hypothecation of Devices (Computers Peripherals - on Use and Pay) purchased using the term loan.
 - Collateral Security: Equitable Mortgage of Leashold land situated at Baddi, Himachal Pradesh
- iii) There is no breach of Loan Agreement.
- iv) Term Loan from Others include the amount of unsecured loan taken from WeP Peripherals Limited by the subsidiary

10(b) Trade Payables

Particulars	As at March 31, 2020	As at March 31, 2019
<u>Current</u>		
Trade payables	47,114,097	37,059,938
Trade payables to MSME	4,215,188	309,498
Total trade payables	51,329,285	37,369,436

10(c) Other Financial Liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
<u>Non Current</u>		
Lease Liability	12,319,777	-
Total Non Current Financial Liabilities	12,319,777	-
<u>Current</u>		
Customer, Dealer and Other Deposits	18,338,071	20,139,560
Current maturities of Long Term Borrowings**	18,296,780	14,814,800
Capital Creditors	34,810,472	53,856,059
Unclaimed Dividend	1,464,258	1,500,916
Lease Liability	13,445,797	-
Total other current financial liabilities	86,355,378	90,311,335

**Refer footnote to Note No. 10(a)

Note 11: Provisions

Particulars	As at March 31, 2020	As at March 31, 2019
<u>Non Current</u>		
Employee Benefits (Refer Note 24)	12,512,428	11,467,576
Warranty expenses (Refer Note 28)	-	479,437
Total non current provisions	12,512,428	11,947,013
<u>Current</u>		
Employee Benefits (Refer Note 24)	562,537	861,675
Warranty expenses (Refer Note 28)	935,873	1,337,864
Total current provisions	1,498,410	2,199,539

Note 12: Other Liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
<u>Non Current</u>		
Income received in advance	1,514,148	1,654,913
Total other Non Current Liabilities	1,514,148	1,654,913
<u>Current</u>		
Income received in advance	8,035,631	11,850,973
Advance from customers	3,269,183	581,757
Statutory payables	7,750,268	7,970,119
Other payables	5,289,937	5,180,521
Expenses payable	26,101,406	27,314,805
Total other Current liabilities	50,446,425	52,898,175

Note 13: Revenue from Operations

Particulars	For the year April 1, 2019 to March 31, 2020	For the year April 1, 2018 to March 31, 2019
Sale of Products	226,739,237	295,164,816
Sale of Services	456,736,494	471,484,262
Other Operating Revenue	246,178	323,487
Total revenue from operations	683,721,909	766,972,565

Note 14: Other Income

Particulars	For the year April 1, 2019 to March 31, 2020	For the year April 1, 2018 to March 31, 2019
Interest Income on Financial Assets measured at amortised cost -		
Interest on Deposits with banks	193,696	137,702
Other Interest	1,930,714	661,753
Rental Income	2,645,000	2,360,000
Exchange Gain	3,628	-
Miscellaneous Income	2,858,183	2,150,808
Credit balances/Provision no longer required written back	1,329,872	3,270,118
Total Other income	8,961,093	8,580,381

Note 15: Cost of Materials Consumed

Particulars	For the year April 1, 2019 to March 31, 2020	For the year April 1, 2018 to March 31, 2019
Raw materials/Spares and consumables at the beginning of the year	79,083,129	93,141,845
Add : Purchases during the year/period	190,460,881	214,954,517
Less : Closing stocks	79,438,833	79,083,129
Total cost of material consumed	190,105,177	229,013,233

Note 16: Purchase of Stock-in-Trade

Particulars	For the year April 1, 2019 to March 31, 2020	For the year April 1, 2018 to March 31, 2019
Purchases of stock-in-trade	86,069,430	78,959,312
Total purchase of stock-in-trade	86,069,430	78,959,312

Note 17: Changes in Inventories of Work-in-Progress, Stock-in-Trade and Finished Goods

Particulars	For the year April 1, 2019 to March 31, 2020	For the year April 1, 2018 to March 31, 2019
Opening Stock		
Work-in-progress	1,833,535	-
Finished goods	2,712,226	9,579,834
Traded goods	17,834,512	14,138,430
Total opening stock	22,380,273	23,718,264
Closing Stock		
Work-in-progress	1,792,100	1,833,535
Finished goods	6,753,725	2,712,226
Traded goods	36,460,624	17,834,512
Total closing stock	45,006,449	22,380,273
Total changes in inventories of work-in-progress, stock-in-trade and finished goods	(22,626,176)	1,337,991

Note 18: Employee Benefit Expenses

Particulars	For the year April 1, 2019 to March 31, 2020	For the year April 1, 2018 to March 31, 2019
Salaries, wages and bonus	103,848,565	125,091,987
Gratuity and Leave encashment expense	3,186,371	2,810,813
Employee share-based payment expense	1,911,274	6,723,067
Contribution to provident and other fund	5,666,943	6,268,847
Staff welfare expenses	6,421,724	9,261,995
Total employee benefit expense	121,034,877	150,156,709

Note 19: Other Expenses

Particulars	For the year April 1, 2019 to March 31, 2020	For the year April 1, 2018 to March 31, 2019
Power and fuel	5,302,720	5,834,131
Insurance	832,121	802,116
Repairs & Maintenance - Buildings	1,071,897	1,384,990
Repairs & Maintenance - IT	11,834,285	9,041,114
Rent	6,595,348	26,786,085
Rates and taxes	1,997,288	3,617,567
Warranty Expenses	995,812	1,526,651
Carriage and Freight outwards	23,833,878	22,824,112
Commission on sales	4,520,793	3,856,107
Support Charges	14,031,727	14,792,579
Auditors' Remuneration		
for Audit fees	675,000	675,000
for Taxation matters	125,000	125,000
for Reimbursement of expenses	161,421	114,851
for Other Services	50,000	-
Advertisement and sales promotion	9,524,264	15,018,104
Directors' Commission and Sitting fees	1,110,000	1,170,000
Loss on disposal of assets	1,727,928	1,986,162
Travelling and Conveyance	11,699,262	15,831,622
Communication Expenses	4,074,509	5,296,077
Legal and Professional charges	8,433,325	9,172,657
Manpower support service charges	54,299,308	58,769,607
Office Maintenance	8,757,440	9,965,286
Cloud Expenses	3,005,619	4,285,482
Provision for doubtful debts / advances	6,140,059	10,146,435
Bad Debts Write off	-	262,716
Exchange Differences (Net)	963,622	258,243
Recruitment Expenses	717,074	1,329,694
Bank Charges	477,271	357,986
Miscellaneous expenses	1,354,040	2,230,189
Total other expenses	184,311,011	227,460,562

Note 20: Finance Costs

Particulars	For the year April 1, 2019 to March 31, 2020	For the year April 1, 2018 to March 31, 2019
Interest Expenses	12,506,269	9,731,370
Other Borrowing costs	844,233	632,583
Total finance costs	13,350,502	10,363,953

Note 21: Depreciation and Amortisation Expense

Particulars	For the year April 1, 2019 to March 31, 2020	For the year April 1, 2018 to March 31, 2019
Depreciation of property, plant and equipment	108,733,762	102,957,336
Amortisation of Right to use assets	13,774,046	-
Amortisation of intangible assets	6,523,221	7,689,268
Total depreciation and amortisation expense	129,031,029	110,646,604

Note 22: Related Party Transactions**22(A) List of related parties**

Name of Related Party	Relationship
Ram Narayan Agarwal	Chairman & Managing Director
Suresh C Senapaty	Subsidiary Company - Chairman & Director
G H Visweswara	Independent Director
Sudhir Prakash*	Independent Director
Dr. A L Rao	Non-Executive Director
H V Gowthama	Independent Director
Mythily Ramesh	Independent Director
Shankar Jaganathan	Independent Director
Sandeep Kumar Goyal	Chief Financial Officer
S.Pradeep	Subsidiary Company- Chief Financial Officer
Sanjeev Arora	Subsidiary Company- Chief Executive Officer
Sujata Pratik Shaha	Company Secretary & Compliance Officer
Cimplyfive Corporate Secretarial Services Private Limited	Company in which Director is Interested
wep solutions india limited	Promoter Group
RNAWEP Investments Private Limited	Promoter Group
WeP Peripherals Limited	Promoter

* Director till August 21, 2019

22(B) Transactions with Key Management Personnel

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Remuneration paid to Key Management Personnel	11,789,319	12,177,223

22(C) Transaction with other related parties

Transactions	WeP Peripherals Limited	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Purchase of Goods and Services (excluding taxes)	3,038,840	7,592,090
Interest paid	286,209	217,000
Amount received for allotment of Equity Shares/ Warrants	-	45,000,000
Loan outstanding	5,000,000	-
	Cimplyfive Corporate Secreterial Services Private Limited	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Purchase of Services	-	150,000
Sale of Services	-	355,405

Note 23: Revenue from Contracts with Customers**Disaggragate revenue information:**

The table below presents disaggregated revenues from contracts with customers and the disaggregation best depicts how the nature, timing and uncertainty of revenue and cash flows are affected by market and economic factors:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
a. Printer Business	200,596,976	275,526,839
b. MPS Business	448,796,208	459,794,660
c. Digital Services	34,328,725	31,651,065
	683,721,909	766,972,565

Performance Obligations:

- The performance obligation is satisfied by transferring the promised good or service to a customer and the customer obtains controls over it.
- The company payment terms range from advance to 60 days.
- The Company earns revenue primarily from Managed Printing Solutions and Services, Manufacturing and Distribution of Retail Billing Products and providing Digital Services like GST etc. to both enterprise and retail customers, pan India.
- The Company generally offers Standard warranties of 6 to 12 months for its products sold.

Note 24: Employee Benefit Plans

The Group provides to its employees following retirement benefits:

- Gratuity
- Leave Accrual

Leave Accrual: The Group allows accumulation / encashment of leave. Such accumulation can be utilized by obtaining leave in the subsequent period employment or encashment at the time of separation. The obligation as on the balance sheet date is provided on the basis of actuarial valuation.

Gratuity: The Group provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary for each completed year of service. The Group accounts for gratuity benefits payable in the future based on the actuarial valuation. The Group is exposed to actuarial risk with respect to this plan.

The following table sets out the amounts recognised in the Consolidated financial statements for Gratuity

Principal Actuarial Assumptions

Particulars	As at March 31, 2020	As at March 31, 2019
Salary Escalation	7.00%	7.00%
Discount Rate (per annum)	6.55%	7.55%
Mortality	India Assured Lives Mortality (2006-2008)	India Assured Lives Mortality (2006-2008)

Amount recognized in the Balance Sheet are as follows

Particulars	As at March 31, 2020	As at March 31, 2019
Present value of Funded defined benefit obligation	8,324,257	7,337,238
Fair value of plan assets	(2,026,831)	(2,471,652)
Net Liability	6,297,426	4,865,586
Current	-	-
Non-Current	6,297,426	4,865,586

Amount reflected in the Consolidated Statement of Profit & Loss is as follows

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Current Service Cost	1,247,966	1,094,540
Interest on Defined Benefit Obligation	369,146	312,752
Total	1,617,112	1,407,292

Amount recognised in Other Comprehensive Income

Particulars	As at March 31, 2020	As at March 31, 2019
Remeasurements during the period due to		
<i>Changes in financial assumptions</i>	621,405	127,671
<i>Changes in demographic assumptions</i>	17	-
<i>Experience adjustments</i>	(743,751)	(33,827)
<i>Actual return on plan assets less interest on plan assets</i>	106,315	70,801
Closing amount recognised in OCI outside profit and loss account	(16,014)	164,645

Reconciliation statement

Particulars	As at March 31, 2020	As at March 31, 2019
a) Change in Defined Benefit Obligation		
Opening Defined Benefit Obligation	7,296,673	6,519,416
Current Service Cost	1,247,966	1,094,540
Interest on Defined Benefit Obligation	557,429	493,296
Actuarial Losses / (Gain)		
Remeasurements due to:		
<i>Actuarial loss / (gain) arising from change in financial assumptions</i>	621,405	127,671
<i>Actuarial loss / (gain) arising from change in demographic assumptions</i>	17	-
<i>Actuarial loss / (gain) arising on account of experience changes</i>	(743,751)	(33,827)
Benefits Paid	(696,047)	(904,423)

Particulars	As at March 31, 2020	As at March 31, 2019
Closing Defined Benefit Obligation	8,283,692	7,296,673
b) Change in Fair Value of Assets		
Opening Fair Value of Plan Assets	2,578,832	2,352,711
Interest on plan assets	188,283	180,544
Remeasurements due to:		
<i>Actual return on plan assets less interest on plan assets</i>		
Contribution by Employer	169,258	950,000
Benefit Paid	(696,047)	(904,423)
Closing Fair Value of Plan Assets	2,240,326	2,578,832
c) Change in Net Liability / (asset)		
Opening net defined benefit liability / (asset)	4,825,022	4,203,085
Expense charged to Consolidated Statement of profit & loss	1,617,112	1,407,292
Amount recognised outside Consolidated Statement of profit & loss	(16,014)	164,645
Contribution by Employer	(169,258)	(950,000)
Closing net defined benefit liability / (asset)	6,256,862	4,825,022

Maturity Profile of defined benefit obligations

Particulars	As at March 31, 2020	As at March 31, 2019
1 year	661,561	483,019
2 to 5 years	3,757,958	2,891,310
6 to 9 years	3,166,220	3,182,150
10 years and Above	7,022,107	8,062,470

Note 25: Employee Stock Option Plan

The Group, from time to time, provides share based payments to its employees. These payments are provided in the form of stock options that can be exercised once the employee has completed specified service term with the Company. All share based employee remuneration would be settled in equity. The details of Stock options are provided below:

Particulars	ESOP 2011	ESOP 2016
Date of Shareholders' approval	27 th Sep 2011	22 nd Sep 2016
Total number of options approved under the scheme	600,000	600,000
Vesting Schedule		
On completion of 12 months from the date of grant of Options	30% vesting	30% vesting
On completion of 24 months from the date of grant of Options	30% vesting	30% vesting
On completion of 36 months from the date of grant of Options	40% vesting	40% vesting
Exercise Price	Rs.10 per share	Rs.10 per share
Exercise Period	5 years from the date of vesting	5 years from the date of vesting
Option movements during the year		
Options outstanding at the beginning of the year	287,400	124,500
Options granted during the year	-	185,000
Options Lapsed & Forfeited during the year	72,700	19,500
Options exercised during the year	77,100	30,000
Variations of terms of options	None	None
Money realised by exercise of options (Rs.)	771,000	300,000
Total number of options in force as at the end of the year	137,600	260,000
Vested and available for exercise	123,500	33,000
Unvested	14,100	227,000

Summary of the Status of Options

Particulars	As at March 31, 2020	As at March 31, 2019
Options outstanding at the beginning of the year	411,900	557,400
Options granted during the year	185,000	-
Options Lapsed & Forfeited during the year	92,200	58,800
Options exercised during the year	107,100	86,700
Total number of options in force as at the end of the year	397,600	411,900

Note 26: Disclosures of dues / payments to Micro, Small and Medium enterprises to the extent such enterprises are identified by the Group:

Particulars	As at March 31, 2020	As at March 31, 2019
a. Amount due on account of suppliers as at the end of the accounting year	4,215,188	309,498
b. Principal amount paid (includes unpaid) beyond the appointed date	NIL	NIL
c. Interest paid during the year;	NIL	NIL
d. Interest payable at the end of the year;	NIL	NIL
e. Interest accrued and unpaid at the end of the accounting year; has not been provided.	NIL	NIL

The information has been given in respect of such vendors to the extent they could be identified as "Micro, Small and Medium" enterprises on the basis of information available with the Group.

Note 27: Earning Per Share (EPS) computed in accordance with Ind AS 33

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Basic		
Profit/ (Loss) after tax as per accounts	(21,207,851)	(31,377,407)
Number of Shares issued (Weighted average no.)	26,253,957	25,465,479
Earning Per Share (of nominal value of equity share of Rs.10/- each)	(0.81)	(1.23)
Diluted		
Profit/ (Loss) after tax as per accounts	(21,207,851)	(31,377,407)
Number of Shares issued (Weighted average no.)	26,562,636	25,877,379
Earning Per Share (of nominal value of equity share of Rs.10/- each)	(0.80)	(1.21)

Calculation of Weighted average number of shares used as the denominator

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Weighted average number of equity shares used as the denominator in calculating basic earning per share	26,253,957	25,465,479
Adjustments for calculation of diluted earnings per share Stock options	308,679	411,900
Weighted average number of equity shares used as the denominator in calculating diluted earning per share	26,562,636	25,877,379

Note 28: Warranty

The Group generally offers 6 to 12 months warranties for its products. Management estimates the related provision for future warranty claims based on historical warranty claim information, as well as recent trends that might suggest that past cost information may differ from future claims. Provision is made for estimated warranty claims in respect of products sold which are still under warranty at the end of the reporting period.

Movement in provision during the financial year	Warranty Provision	
Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Opening Provision	1,817,300	2,699,444
Additions during the year	935,873	1,817,300
Reversal during the year	1,817,300	2,699,444
Closing Provision	935,873	1,817,300

Note 29: Contingent Liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Claims against the company not acknowledged as debt		
Value Added Tax	1,658,492	1,123,318
Service Tax	58,129,154	58,129,154
Total	59,787,646	59,252,472

Note 32: Financial Instruments

This section gives an overview of the significance of financial instruments for the Group and provided additional information on balance sheet terms that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expense are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 1 to the financial statements.

i) Classification of Financial Assets and Liabilities

All financial assets and financial liabilities are valued at amortised cost.

ii) Fair Value Hierarchy

There are no financial asset or liabilities of the Group, which, after their initial recognition, have been fair valued either during the year or in the previous year.

iii) Financial Risk Management Policies and Objectives

The Group, in the course of its business, is exposed to a variety of financial risks, viz., market risk, credit risk and liquidity risk which can adversely impact the financial performance. The Group endeavour is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance. The Group has a risk management policy that which not only covers the foreign exchange risk but also other risks such as interest rate risk and credit risk which are associated with financial assets and liabilities.

A. Market Risk:

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

B. Foreign currency exchange rate risk:

The fluctuations in foreign currency exchange rate may have a potential impact on the statement of profit and loss and equity. This arises from transactions entered into foreign currency and assets/liabilities which are denominated in a currency other than the functional currency of the Company.

The Group imports raw materials, traded goods, consumables etc and such transactions are denominated in US Dollars. The Group does not take major exposure in any other foreign currency. The group also exports services which are billed in US dollars. The Group has a hedging policy approved and reviewed by the Board of Directors to mitigate its risks. Details of foreign currency exposure in USD are as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Trade Receivables (Amount in INR)	186,792	196,578
Trade Receivables (Amount in USD)	2,478	2,842
Trade Payables (Amount in INR)	23,047,909	9,457,443
Trade Payables (Amount in USD)	305,756	136,587

C. Credit risk:

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk covers both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks.

Trade receivables constitute the financial instruments that are exposed to credit risk. The Group policy is to deal only with creditworthy counterparts. The Company management considers that all the financial assets that are not impaired for each of the reporting dates under review are of good credit quality, including those that are past due. None of the Group financial assets are secured by collateral or other credit enhancements.

The Group exposure to credit risk is limited to the carrying amount of financial assets recognised at the balance sheet date.

Note 33: Deferred Tax Asset

The subsidiary company has reassessed the deferred tax asset on unused tax losses at the year end and based on the additional uncertainty arising from Covid-19 impacting forecasted profits, the Company has deemed it fit to write down the deferred tax asset on unused tax losses of Rs 12,559,005/- during the year ended 31st March 2020.

Note 34: Impact of COVID-19

Due to COVID-19 situation, there have been several restrictions imposed by the Governments across the globe and in India during March 2020. The Company has used the principles of prudence in applying judgments, estimates and assumptions and based on the current estimates, the company expects to recover the carrying amount of trade receivables, investments and other assets. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statements. The Company will continue to monitor developments to identify significant uncertainties in future periods, if any.

Management believes that considering the Company's historical performance and its business model it has adequate liquidity and business plans to continue to operate the business and mitigate the risks associated with COVID-19 for the next 12 months from the date of this Financial Statements. The Company has also ensured that majority of its key resources are working from home and providing the required support to business and ensuring that there is least disturbance.

Note 35: Capital Management

The Group capital management is intended to maximise the return to shareholders for meeting the long-term and short-term goals of the Group through the optimization of the debt and equity balance.

The Group determines the amount of capital required on the basis of annual and long-term operating plans and strategic investment plans. The funding requirements are met through equity and long-term/short-term borrowings. The Group monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the Group.

For the purpose of capital management, capital includes issued equity capital, securities premium and all other reserves attributable to the equity shareholders of the Group. Net debt includes all long and short-term borrowings as reduced by cash and cash equivalents.

The following table summarises the capital of the Group:

Particulars	As at March 31, 2020	As at March 31, 2019
Debt *	117,855,120	88,941,114
Cash and Cash Equivalents	1,124,998	562,092
Net debt	116,730,123	88,379,022
Equity **	415,556,193	433,781,880
Total Capital (Debt + Equity)	532,286,316	522,160,902
Net Debt to Equity Ratio	0.22	0.17

* Debt is defined as long-term and short-term borrowings

** Equity includes all capital and reserved of the company that are managed as capital.

Note 36: Previous Year figures have been regrouped / rearranged wherever necessary to conform to the current year presentation.

For and on behalf of the Board of Directors

As per our report attached

For N M Raiji & Co
Chartered Accountants
Firm Reg. No.: 108296W
S. N. Shivakumar

Partner
Membership No. : 88113

Place: New Delhi
Date: June 15, 2020

H V Gowthama
Director
DIN: 00250122

Sandeep Goyal
Chief Financial Officer

Place: Bengaluru
Date: June 15, 2020

Ram N Agarwal
Chairman & Managing Director
DIN: 00006399

Sujata Pratik Shaha
Company Secretary

Independent Auditor's Review Report On consolidated unaudited quarterly and year to date financial results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**To the Board of Directors of
Wep Solutions Ltd.**

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **WEP SOLUTIONS LIMITED** ("the Parent"), and its subsidiary (the Parent and its subsidiary together referred to as "the Group" for the quarter and nine months ended December 31, 2020 ("the Statement"), together with the relevant notes thereon. This Statement which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015"), as amended. The Statement has been prepared on the basis of the related consolidated unaudited financial results of the Company, which is in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standard) Rules, 2015, and relevant amendment rules thereafter, and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information is limited primarily to inquiries of company personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013, and consequently does not enable us to obtain assurance that we would become aware



of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

3. We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.
4. The Statement includes the results of Wep Digital Services Limited which is wholly owned subsidiary of the parent.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For N. M. Raiji & Co.
Chartered Accountants
Firm Registration No.: 108296W


Vinay D. Balse
Partner

Membership No.: 039434
UDIN: 21039434AAAAAO3145



Place: Mumbai

Date: January 29, 2021

WeP Solutions Limited

Regd. Office : Basappa Complex, 40/1-A, Lavelle Road, Bengaluru - 560 001
CIN : L72200KA1995PLC025617



Unaudited Statement of Consolidated Financial Results for the Quarter and Nine months ended December 31, 2020

₹ in Lakhs

Particulars	Consolidated					
	Quarter Ended			Nine months ended		Year Ended
	Dec 31, 2020 Unaudited	Sept 30, 2020 Unaudited	Dec 31, 2019 Unaudited	Dec 31, 2020 Unaudited	Dec 31, 2019 Unaudited	Mar 31, 2020 Audited
1. Income from Operations						
a. Net Sales/Income from Operations	1,723.26	1,360.84	1,726.50	3,982.39	5,177.09	6,834.76
b. Other Operating Income	-	0.57	0.82	0.57	1.73	2.46
Total Revenue from Operations	1,723.26	1,361.41	1,727.33	3,982.96	5,178.82	6,837.22
c. Other Income	5.63	4.27	15.80	27.48	67.22	89.62
Total Income from Operations(net)	1,728.89	1,365.68	1,743.12	4,010.44	5,246.04	6,926.84
2. Expenses						
a. Cost of Material consumed	428.02	312.34	478.97	894.43	1,422.85	1,901.05
b. Purchases of stock-in-trade	217.95	231.32	185.78	626.00	504.18	860.69
c. Changes in inventories of finished goods, work in progress and stock in trade	78.44	(39.39)	7.24	(12.27)	43.87	(226.26)
d. Employees benefits expense	242.37	233.28	288.65	702.89	928.75	1,210.35
e. Finance Costs	32.24	38.35	38.10	106.78	101.81	133.51
f. Depreciation and amortisation expense	262.22	281.21	329.34	858.20	962.88	1,290.31
g. Other expenses	403.65	370.16	451.76	1,106.43	1,394.87	1,843.11
Total Expenses	1,664.89	1,427.27	1,779.83	4,282.46	5,359.21	7,012.76
3. Profit/(Loss) before exceptional items (1-2)	64.00	(61.59)	(36.70)	(272.02)	(113.17)	(85.92)
4. Exceptional items	-	-	-	-	-	-
5. Profit/(Loss) before tax (3-4)	64.00	(61.59)	(36.70)	(272.02)	(113.17)	(85.92)
6. Tax expense						
a. Current Tax	8.44	(0.00)	21.10	8.44	40.73	56.83
b. Deferred Tax	11.41	(12.89)	(18.03)	(75.24)	(45.22)	69.32
7. Net Profit / (Loss) for the Year / Period (5-6)	44.15	(48.70)	(39.77)	(205.22)	(108.68)	(212.07)
8. Other Comprehensive Income (net of tax)	-	(0.23)	-	(0.22)	1.02	0.09
9. Total Comprehensive Income for the Year / Period (7+8)	44.15	(48.93)	(39.77)	(205.44)	(107.66)	(211.97)
10. Paid-up equity share capital (Face Value of Rs. 10/- per share)	2,631.70	2,631.70	2,629.94	2,631.70	2,629.94	2,631.70
11. Earnings Per Share (EPS) (of Rs.10/- each) (not annualised) (in Rs.)						
(a) Basic	0.17	(0.19)	(0.15)	(0.78)	(0.41)	(0.81)
(b) Diluted	0.17	(0.19)	(0.15)	(0.79)	(0.41)	(0.80)

Notes:

- The above Financial Results of the Company were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on January 29, 2021. The Statutory Auditors have conducted a limited review of the financial results for the quarter and nine months ended December 31, 2020
- The Board of the company vide resolution passed in its meeting held on 28th December 2020, had approved a Scheme of Arrangement u/s 230-232 of the Companies Act, whereby its wholly owned subsidiary M/s WeP Digital Services Limited is proposed to be merged into the Company. The Appointed date for the scheme is April 1, 2021.
- The outbreak of Covid-19 pandemic and consequent lockdown from March 24, 2020, has impacted the regular business operations of the Group. The Group has started its manufacturing and service operations based on the guidelines issued by State and Central Government. The Group has taken into account both internal and external information for assessing the impact of Covid-19 on various elements of its financial results including recoverability of its assets. This assessment and the outcome of the pandemic as regards aforesaid matters is highly dependent on the circumstances/developments as they evolve in the subsequent period. The impact of Covid-19 on the Group's financial statements may differ from that estimated as at the date of approval of these interim financial statements. The Group will continue to monitor developments to identify significant uncertainties in future periods if any.
- Figures for the previous period(s) / year are regrouped/rearranged wherever necessary, to conform to the figures of the current year.
- Segment wise Revenue, Results and Capital Employed - Consolidated

Particulars	Quarter Ended			Nine Months Ended		Year Ended
	Dec 31, 2020 Unaudited	Sept 30, 2020 Unaudited	Dec 31, 2019 Unaudited	Dec 31, 2020 Unaudited	Dec 31, 2019 Unaudited	Mar 31, 2020 Audited
1. Segment Revenue						
a. Printer Business	689.49	400.05	496.79	1,309.67	1,538.76	2,005.97
b. MPS Business	947.65	890.85	1,139.54	2,445.49	3,382.10	4,487.96
c. Digital Services	86.12	70.51	91.00	227.80	257.96	343.29
Net Sales / Income from Operations	1,723.26	1,361.41	1,727.33	3,982.96	5,178.82	6,837.22
2. Segment Results						
a. Printer Business	17.80	(62.34)	(19.80)	(138.79)	(12.04)	(44.60)
b. MPS Business	101.55	52.25	32.28	36.16	84.16	203.65
c. Digital Services	(23.11)	(13.15)	(11.08)	(62.61)	(83.48)	(111.48)
Total	96.24	(23.24)	1.40	(165.24)	(11.36)	47.58
Less: Interest	32.24	38.35	38.10	106.78	101.81	133.50
Total Profit Before Tax	64.00	(61.59)	(36.70)	(272.02)	(113.17)	(85.92)
3. Capital Employed						
a. Printer Business	1,422.14	1,565.22	1,084.04	1,422.14	1,084.04	1,294.40
b. MPS Business	3,694.69	3,895.19	3,951.77	3,694.69	3,951.77	4,049.53
c. Digital Services	(26.96)	(17.64)	146.68	(26.96)	146.68	(9.81)
Total	5,089.87	5,442.79	5,182.49	5,089.87	5,182.49	5,334.12

Note. The segment wise revenue, results and capital employed figures relate to the respective amounts directly identifiable to each of the segments.

For WeP Solutions Limited

Place: Bengaluru
Date : January 29, 2021

Sandeep Kumar Goyal
Executive Director & CFO

Independent Auditor's Review Report on Unaudited Standalone Quarterly Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**To the Board of Directors of
WeP Solutions Limited**

1. We have reviewed the accompanying statement of unaudited financial results of **WEP SOLUTIONS LIMITED** ("the Company"), for the quarter and nine months ended December 31, 2020 ("the Statement"), together with the relevant notes thereon. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015") as amended. The Statement has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standard) Rules, 2015, and relevant amendment rules thereafter, and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement.
3. A review of interim financials is limited primarily to inquiries of company personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013, and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. We have not performed an audit. Accordingly, we do not express an audit opinion.



4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For N. M. Raiji & Co.
Chartered Accountants
Firm Registration No.:108296W**



**Vinay D. Balse
Partner**

**Membership. No.: 039434
UDIN: 21039434AAAAAN7587**



Place: Mumbai

Date: January 29, 2021

WeP Solutions Limited

Regd. Office : Basappa Complex, 40/1-A, Lavelle Road, Bengaluru - 560 001
CIN : L72200KA1995PLC025617



Unaudited Statement of Standalone Financial Results for the Quarter and Nine months ended December 31, 2020

₹ in Lakhs

Particulars	Standalone					
	Quarter Ended			Nine Months ended		Year Ended
	Dec 31, 2020	Sep 30, 2020	Dec 31, 2019	Dec 31, 2020	Dec 31, 2019	Mar 31, 2020
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Income from Operations						
a. Net Sales/Income from Operations	1,651.34	1,308.82	1,653.40	3,803.36	4,971.60	6,562.82
b. Other Operating Income	-	0.57	0.82	0.57	1.73	2.46
Total Revenue from Operations	1,651.34	1,309.39	1,654.22	3,803.93	4,973.33	6,565.28
c. Other Income	7.70	6.55	18.69	33.51	73.57	98.62
Total Income from Operations(net)	1,659.04	1,315.94	1,672.91	3,837.44	5,046.90	6,663.90
2. Expenses						
a. Cost of Material consumed	403.46	305.63	469.35	852.50	1,402.21	1,868.37
b. Purchases of stock-in-trade	217.95	231.32	185.78	626.00	503.81	860.32
c. Changes in inventories of finished goods, work in progress and stock in trade	78.45	(39.39)	6.85	(12.27)	42.51	(227.62)
d. Employees benefits expense	200.92	192.38	237.71	579.41	774.36	999.37
e. Finance Costs	30.85	36.96	36.42	102.44	99.13	129.21
f. Depreciation and amortisation expense	259.70	278.45	325.87	849.61	948.04	1,272.03
g. Other expenses	387.89	357.91	438.82	1,069.56	1,325.06	1,755.73
Total Expenses	1,579.22	1,363.26	1,700.80	4,067.25	5,095.12	6,657.41
3. Profit / (Loss) before exceptional items (1-2)	79.82	(47.32)	(27.91)	(229.81)	(48.22)	6.48
4. Exceptional items	-	-	-	-	-	-
5. Profit / (Loss) before tax (3-4)	79.82	(47.32)	(27.91)	(229.81)	(48.22)	6.48
6. Tax expense						
a. Current Tax	8.44	(0.00)	21.10	8.44	40.73	56.83
b. Deferred Tax	13.77	(11.21)	(18.60)	(70.42)	(43.88)	(54.86)
7. Net Profit / (Loss) for the Year / Period (5-6)	57.61	(36.11)	(30.41)	(167.83)	(45.07)	4.51
8. Other Comprehensive Income (net of tax)	-	(1.27)	-	(1.27)	1.17	0.78
9. Total Comprehensive Income for the Year / Period (7+8)	57.61	(37.38)	(30.41)	(169.10)	(43.90)	5.28
10. Paid-up equity share capital (Face Value of Rs. 10/- per share)	2,631.70	2,631.70	2,629.94	2,631.70	2,629.94	2,631.70
11. Earnings Per Share (EPS) (of Rs.10/- each) (not annualised)(in Rs.)						
(a) Basic	0.22	(0.14)	(0.12)	(0.64)	(0.17)	0.02
(b) Diluted	0.22	(0.14)	(0.11)	(0.63)	(0.17)	0.02

Notes:

- The above Financial Results of the Company were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on January 29, 2021. The Statutory Auditors have conducted a limited review of the financial results for the quarter and nine months ended December 31, 2020
- The outbreak of Covid-19 pandemic and consequent lockdown from March 24, 2020, has impacted the regular business operations of the Company. The Company has started its manufacturing and service operations based on the guidelines issued by State and Central Government. The Company has taken into account both internal and external information for assessing the impact of Covid-19 on various elements of its financial results including recoverability of its assets. This assessment and the outcome of the pandemic as regards aforesaid matters is highly dependent on the circumstances/developments as they evolve in the subsequent period. The impact of Covid-19 on the Company's financial statements may differ from that estimated as at the date of approval of these interim financial statements. The Company will continue to monitor developments to identify significant uncertainties in future periods if any.
- Figures for the previous period(s) / year are regrouped/rearranged wherever necessary, to conform to the figures of the current period / year.
- Segment wise Revenue, Results and Capital Employed - Standalone

Particulars	Quarter Ended			Nine months ended		Year Ended
	Dec 31, 2020	Sep 30, 2020	Dec 31, 2019	Dec 31, 2020	Dec 31, 2019	Mar 31, 2020
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Segment Revenue						
a. Printer Business	689.49	400.05	496.79	1,309.67	1,538.76	2,005.97
b. MPS Business	947.65	890.85	1,139.54	2,445.49	3,382.11	4,487.96
c. Digital Services	14.20	18.49	17.89	48.77	52.46	71.35
Net Sales / Income from Operations	1,651.34	1,309.39	1,654.22	3,803.93	4,973.33	6,565.28
2. Segment Results						
a. Printer Business	17.80	(62.34)	(19.81)	(138.79)	(12.04)	(44.60)
b. MPS Business	103.81	54.48	35.43	43.81	87.31	209.95
c. Digital Services	(10.94)	(2.50)	(7.11)	(32.39)	(24.36)	(29.67)
Total	110.67	(10.36)	8.51	(127.37)	50.91	135.69
Less: Interest	30.85	36.96	36.42	102.44	99.13	129.21
Total Profit Before Tax	79.82	(47.32)	(27.91)	(229.81)	(48.22)	6.48
3. Capital Employed						
a. Printer Business	1,422.14	1,565.22	1,084.04	1,422.14	1,084.04	1,294.40
b. MPS Business	3,694.69	3,895.19	3,951.77	3,694.69	3,951.77	4,049.53
c. Digital Services	858.36	854.23	842.16	858.36	842.16	839.17
Total	5,975.19	6,314.64	5,877.97	5,975.19	5,877.97	6,183.09

Note. The segment wise revenue, results and capital employed figures relate to the respective amounts directly identifiable to each of the segments.

For WeP Solutions Limited

Place: Bengaluru
Date : January 29, 2021

Sandeep Kumar Goyal
Executive Director & CFO

ACCOUNTING RATIOS

The following tables present certain accounting and other ratios computed on the basis of the Financial Statements included in "Financial Statements" beginning on page 56

Accounting Ratios

Particulars	As at 31/03/2020
Basic EPS (Rs.)	(0.81)
Diluted EPS (Rs.)	(0.80)
Return on networth	(0.05%)
Net Asset Value per Equity Share (Rs.)	15.79
EBITDA (Rs. in lakhs)	1,337.89

The ratios have been computed as below :

Ratios	Computation
Basic EPS (Rs.)	Net profit attributable to Equity Shareholders / weighted average of common shares outstanding during the period.
Diluted EPS (Rs.)	Post adjusting the earnings and number of shares for the effects of dilutive options and other dilutive potential ordinary shares.
Return on networth	Profit attributable to Equity Shareholders/Net Worth
Net Asset Value per Equity Share (Rs.)	Net Worth/No. of Equity Shares subscribed and fully paid
EBITDA (Rs. in lakhs)	Profit/(loss) after tax for the year adjusted for income tax expense, finance costs, depreciation and amortisation expense, as presented in the statement of profit and loss.

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Investors are cautioned that this discussion contains statements that involve risks and uncertainties. Statements in this report on Management discussion and analysis relating to the Company's objectives, projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable security laws or regulations. These statements are based upon certain assumptions and expectations of future events. Actual results could however differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and domestic demand supply conditions, selling prices, raw material costs and availability, changes in government regulations and tax structure, general economic developments in India and abroad, factors such as litigation, industrial relations and other unforeseen events. The Company assumes no responsibility in respect of forward looking statements made herein which may undergo changes in future on the basis of subsequent developments, information or events.

1. Overview

During 2019-20 Indian economy witnessed its lowest ever growth rate of 4.2% in a decade as against 6.1% in FY 2018-19. While the full year growth rate was 4.2%, it is noteworthy that the growth rate in Q4 FY 20 was just 3.1%, showing significant drop in growth rate sequentially. Manufacturing sector was again an area of concern with a contraction of 1.4%.

Outlook

The bad news on economic activity front in FY 20 got worse with the Covid-19 pandemic striking both India and across world in March 2020. Already the Investment activity and exports were in weak zone in addition to the fall in consumption driven demand. With private expenditure dwindling due to the lockdowns and labour migration issues, investment impacted negatively due to fall in consumption demand and worsening of the already stressed corporate balance sheets, there is high amount of uncertainty. There are estimates that Indian economy might for the first time in decades, see a GDP contraction for the full year. Banks are staring at record NPA's making them risk averse and thereby restricting the flow of credit to the industry and particularly the MSME sector.

2. Business & Industry Overview

WeP is primarily a Enterprise Services provider coupled with strong manufacturing capability of retail products and solutions. It has a strong Enterprise customer base, ranging from the MSME sector to the very large enterprise groups in the country. It also has a strong channel network for its products and services. As part of its Enterprise Services it provides Digital Services and Managed Printing Services to its customers. During the FY 2019-20, WeP has also signed up as a Distributor for Ricoh Products and Solutions in the Indian Market wherein WeP will undertake distribution of Ricoh Office Printing Products and Solutions for Indian market. The contract is for 1 year.

Managed Printing Services

The Office printing landscape has been evolving over the past several years. Corporates are looking for efficiency in every aspect of their operations and activity and printing is no exception to this. There is a need for corporates to both reduce costs and streamline the printing activity which consumes a significant part of their IT support maintenance efforts. Corporates no longer want a printing partner but a total printing solution expert for their offices. There is also a conscious effort in the last few years by the corporates to “reduce” printing and opt for digitizing processes.

WeP MPS helps enterprises to optimize their print infrastructure and with the latest technological tools also help them to reduce wastage thereby reducing printing. Over the last few years there is an increased adoption of MPS services by corporates, both large and small, given the significant benefits it offers. The trend is far more encouraging in public sector enterprises which is one of the largest printing segment but have adopted MPS very late.

Digital Services

WeP digital is focused on providing enterprise customers a whole set of services which can provide efficiency in every aspect of their operations. It is working with customers to digitize their every internal and external process. While the customer has standalone options for each process, WeP Digital is focused on being a one stop shop as a Total Digital Solutions provider. The space provides enough scope for a Digital Services provider right from the digitization of records, record management, Process workflow automation, integration of processes, payment solutions, compliance management solution, tax filing etc. The list of opportunities is endless and there is an urgent need for a comprehensive digital solutions provider and WeP Digital is poised to fill in this void.

Retail Solutions & Printers business

The traditional retail business model in India has been the local kirana and general store, small restaurants, bakery etc. This “unorganized” retail network is the bloodline of the Indian Retail. Their reach and personal direct contact factor is irreplaceable. Technology is only making them more efficient and it is imperative that sooner than later, the entire network will adopt technology. WeP’s endeavour has been to become a partner of these unorganized players by digitizing their supply chain, billing, payments through its retail products and services. This sector not only generates employment in both rural and urban areas, but also creates self-employment opportunities. Once they adopt technology, the vast network and deep penetration this segment has, will be a game changer for last mile delivery of services of any nature both for public and private enterprises. WeP has products and services perfectly suited for making this happen.

In addition to the retail products, WeP in FY 20, signed up as a distributor for Ricoh Products and Solutions in India. Ricoh is a global enterprise with USD 18Billion in revenues and has a strong customer base in India. This relationship is bound to add to WeP’s revenues and profitability in the coming years.

3. Financial Performance

Revenue

Our company has three revenues streams; Managed Printing Services (MPS) Service business, Digital Services business and the Manufacturing, Design and Distribution of Computer Peripherals business (Printers business).

The MPS services revenue dipped from Rs. 438 Mn. in FY 19 to Rs. 422 Mn. in FY 20. Revenue in the Printers business dipped to Rs. 201 mn. in FY 20 from Rs. 276 Mn. in FY 19. The Printers business has the Retail Billing Printers and the traditional Dot Matrix printer business. The Digital services revenue for FY 20 was Rs. 34 Mn. as against Rs. 32 Mn. in FY 19. Though the revenues from Digital business were not in line with expectations, WeP Digital now has a strong base of customers. The business is focused on providing GST services and Document management solutions enterprise customers. A major portion of the business is operated through the wholly owned subsidiary WeP Digital Services Limited. The GST business was impacted due to continued relaxations in the tax regime and frequent changes due to which the customers have postponed their decision to opt for a technology-based compliance solution.

Operating Profit

During the year the Consolidated Earnings before Interest, Depreciation and Tax (EBITDA) of the company significantly improved from Rs. 89 Mn. in FY 19 to Rs.134 Mn. in FY 20. The EBIT also substantially improved from Rs. (21.5) Mn. in FY 19 to Rs. 4.8 Mn. in FY 20. The Digital business was the main reason for the drastic improvement in the profitability for the FY 20. It reduced its losses from Rs. 43 Mn. in FY 19 to Rs. 11 Mn. in FY 20. MPS business continued to be profitable with Rs. 20 Mn. EBIT while the Printers business losses were increased slightly on account of dip in revenue. The cost structure alignment initiatives taken by the company ensured that the dip in revenues did not impact significantly on the profitability of the business. Its EBIT for FY 20 was Rs. (4.5) Mn. vs Rs. (0.1) Mn in FY 19.

With the improved profitability of the Digital business and the cost realignment initiatives undertaken, the company is confident that the investments made will result in much improved performance in the coming years.

Net Working Capital

The MPS operations are working capital intensive as it has to maintain supplies of spare parts and consumables across India for meeting customer service commitments. Further, since the customers are usually large corporates, public sector banks etc, there are receivables for the products supplied and services rendered. The company signed up for Ricoh products in Q4 FY 20 and has procured finished goods for sale in Indian market. This has resulted in an increase in Inventory as at the year end. The overall working capital cycle slightly increased from 106 days in FY 19 to 132 days in FY 20. While the receivables days increased from 61 days to 73 days, there was an increase in yearend inventory for devices which increased the inventory days from 151 days in FY 19 to 182 days in FY 20. The Net Operating Cash flows in FY 20 improved to Rs. 91.8 Mn. as against Rs. 64.4 Mn. in FY 19.

	FY 2019-20	FY 2019-19
Debtors Turnover Ratio	5.10	5.93
Inventory Turnover Ratio (On cost of goods sold)	2.04	3.05
Interest Coverage Ratio	0.38	(2.21)
Current Ratio	1.32	1.23
Debt Equity Ratio	0.28	0.21
Operating Margin Ratio	0.70%	(2.80%)
Net Profit Margin Ratio	(3.10%)	(4.10%)
Return on new worth	(5.10%)	(7.20%)

Notes:

- a) Interest Converge ratio has improved due to better profitability during the year
- b) The Profit related ratios viz, Operating Margin, Net Profit Margin and Return on Networth have improved due to reduction in loss during the year
- c) The Current Ratio improved on account of higher inventory and receivables and better operating cash flows for the year.

4. COVID-19 Impact

COVID-19 started spreading world wide and in India during the period Jan to March 2020. On March 11, 2020, the World Health Organisation (WHO) characterized Covid-19 it as a pandemic.

Effective March 24, 2020, a country wide lockdown was enforced by the Government as its response to curtail the spread of Covid-19 in India. WeP as a company immediately activated its business continuity plan and took measures to both safeguard the interests of the company, employees and customers. Most of our employees were quickly asked to work from home. We continued to support our customers who are in the business of providing essential services during this period of lockdown to the extent permissible and possible. We also reached out to our customers and informed them about the measures that we have taken.

However, the impact on the industry and economy overall in India could be massive. The continued spread of the Covid-19 could adversely affect workforces, supply chain, customers, economies and financial markets globally, potentially leading to a heavy economic slowdown.

The impact of this could be that the customers spend on IT and IT related services can see a potential drop and every enterprise will be under pressure to reduce investments in capex and reduce operating expenses. The increased adoption of Work from Home for employees, can significantly impact the printing demand in the short run if not also in long run. The increased travel restrictions, supply chain constraints, pricing pressures, cash flow cycle disruptions can cause financial difficulties for our customers.

The potential impact to our results going forward will depend to a large extent on future developments regarding Covid-19 that cannot be accurately predicted at this time. While the company focusses on ensuring that our customers are serviced on time and regularly and safety of its employees is paramount, one thing is certain and it is that during this time, the company has to realign the strategy of each of its business lines and optimize/review every cost element.

During the period August 2020 to December 2020, the restrictions and lockdowns in many parts of the country have been gradually reduced. This has resulted in improved sales in the Quarter 2 (July 2020 to September 2020) and further increase in sales in Q3 (October 2020 to December 2020). The path towards the recovery has begun with Q3 2020 wherein the company has achieved both higher sales and made profit for the quarter.

5. Internal Control Systems and their adequacy

The Company has in place adequate internal control systems commensurate with its size and nature of its operations. The IFC framework devised by the company have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, safeguarding Company's assets, promoting operational efficiencies and ensuring compliance with various statutory provisions.

The company has appointed M/s. Gnanoba & Bhat, Chartered Accountants to oversee and carry out the internal audit of its activities. The Audit Committee reviews the adequacy of internal control systems, audit findings and suggestions. The Company's statutory auditors regularly interact with the Audit Committee to share their findings and the status of further improvement actions under implementation

6. Human resource development / Industrial relations

WeP's people centric focus providing an open work environment and fostering continuous learning, improvement and development helped its employees to facilitate delivery of excellence for its customers. WeP believes that success of any company lies in making the customers happy and satisfied. The human resources strategy enabled the company to attract, integrate, develop and retain the best talent required for driving the business growth. The company has created a Performance driven environment with all employees having identified Key result areas directly aligned with the business results.

Talent Transformation and Leadership development have been the key focus areas over the last few years. Company believes in nurturing internal talent to leadership positions and provides an environment of adequate training, cross functional team assignments to aid them.

WeP continued its focus on fresh campus hires and has developed an exhaustive internal training module involving mentoring programmes, live case studies, on field training modules in addition to class room training. Quarterly Reward & Recognitions for best performers and Annual Recognition awards are given in order to promote a culture of competition and performance driven by WeP Values.

SWOT ANALYSIS

We appreciate the market realities, stiff competition faced by your company mostly from the unorganized and local service providers. And your Board acknowledges the following major SWOT analysis more specific to your company.

Strengths:

1. Large base of Enterprise Customers using the Managed Printing Services.
2. Direct relationship with major OEM like Ricoh, a global enterprise, that can add to its MPS and Digital services and solutions offerings.
3. Comprehensive Digital Services Provider with variety of Digital Solutions like GST Services, Document Management Solutions etc
4. Ability to develop customized printing and billing solutions for various applications both on device and non-device based platforms.
5. Scalable infrastructure with pan India presence, wide geographical reach and strong operational expertise.
6. Long standing relationships with Customers and Technology partners.

Weaknesses:

1. Dependency on products manufactured by other OEM's for providing solutions in MPS business.
2. Inability to develop in-house technical expertise quickly to move up the value chain in MPS business.
3. Inability to retain key resources and attract talent due to lack of substantial revenue growth.

Opportunities:

1. Cross selling of Digital services in large base of Enterprise Customers of MPS.
2. Established customers and market for Ricoh products and solutions in India.
3. Uniquely positioned to provide one stop source of Digital Services.
4. Changes in regulatory and economic environment fuelling the need for printing and document management solutions.
5. Increasing number of customers looking for expert partners to manage their non-core needs vis a vis their core business.

Threats

1. Increased adoption of Work from Home for offices due to the current pandemic situation can impact office printing.
2. Constant regulatory changes in the GST landscape can impact the potential of the Digital business.
3. Assets under deployment in MPS business are reaching their cycle of replacement, thereby creating a pressure on the Investment plans of the company.
4. Significant revenues of the company are from the Banking, Financial Service and Insurance(BFSI) Segments. Any direct or indirect impact on the BFSI industry can impact the revenues of the company.
5. As the company is largely dependent on imports for its supply of printers, consumables and spares, rupee depreciation impacts the margin of the company significantly.

Risk Management Process

The company has an established sound risk management process which is overseen by the Risk Management Committee of the Board through a structured framework. Strategic, Operational and Business risks are identified and appropriate mitigating action plans are put in place by the company. They are reviewed periodically.

The following risks are identified as key risks by the company. The mitigating steps taken to counter them are also outlined below.

Revenue Concentration

The company has concentration of revenue coming in from industry segments like Banking, Financial services and Insurance. Further, a few customers also contribute to a fair share of the revenue for the company. Such concentration exposes the company to a risk inherent in that segment or for a particular customer.

Mitigants

We have adopted prudent norms based on which we monitor and prevent undesirable concentration in geography, industry or customer. The quest for diversified activities within the existing realm of overall management after due consideration of the advantages and disadvantages of each activity in consistent with company policy of increasing business volumes with minimum exposure to undue risks. Concentration of revenue from any particular segment of the industry is sought to be minimized over the long term by careful extension into other activities, particularly in areas the company has some basic advantage such as availability of land, technical or manpower resources.

Inventory Obsolescence Risk

The company needs to maintain printers for a period of more than 48 months. These models are constantly upgraded by the principal suppliers. However, the company needs to maintain adequate stocks of spares and toners at all its customer locations in order to meet the customer requirements. These spares may or may not be used. This leads to a risk of us maintaining obsolete stocks. At times we are required to maintain inventory for demo equipments, replacement for repairs and normal distribution stocks. Your company faces the risk of obsolescence in the event of not being able to sell or deploy the above stocks

Mitigants:

Your Company is conscious of these risks and tracks and monitors its inventory at regular intervals to minimize obsolescence. Your company continuously monitors the stock levels of such items and ensures they are within the reasonable limits.

Industry Risk:

Your company is facing stiff competition from other players who are both organized large brand owners and unorganized local players. This competition forces the company to cut down its margins and reduce price for its products and services for both the existing customers and new potential customers.

Mitigants:

Your company has put in a focused approach towards monitoring all such competitive activities. Your company reviews its customer relationship strategy periodically and keeps providing innovative and new solutions. Your company is also focusing on moving up the value chain at the customer by providing Document Management solutions. Your company believes in providing value to the customers and has put in a dedicated team to manage the existing and new customers.

Foreign Exchange Risks:

A good amount of import of stock is done in order to meet the consumables, spares and printer requirement. The time involved from the date of order, receipt of the stock from the vendor, supply to the customer has remained in the range of 30 to 45 days. Further, the credit period from the vendor is an average period of 45 to 60 days. This time lag is potential enough to affect the profitability of company due to fluctuation in the currency exchange rate.

Mitigants:

Company has a defined policy for managing its foreign exchange exposure. The management reviews the hedging policy on a quarterly basis and takes appropriate decision from time to time in order to minimize the impact of such volatility.

System Risks

These risks relate broadly to System capability, System reliability, Data integrity risks, coordinating and interfacing risks.

Mitigants:

IT department maintains repairs and upgrades the systems on a continuous basis with personnel who are trained in software and hardware. Password protection is provided at different levels to ensure data integrity. Licensed software is being used in the systems. The Company ensures "Data Security", by having access control / restrictions.

Overview of Our Results of our Operations

The following table sets forth select financial data from our restated statements of profit and loss for the Financial Years 2019-20 and for the period ended December 31, 2020 :

Particulars	December 31, 2020		March 31, 2020	
	Rs. in lakhs	% of total income	Rs. in lakhs	% of total income
Income				
Revenue from operations	3,982.96	99.30%	6,837.22	98.70%
Other Income	27.48	0.70%	89.62	1.30%
Total Income	4,010.44	100.00%	6,926.84	100.00%
Expenditure				
Cost of Goods sold /services rendered	1,508.16	37.60%	2,535.48	36.60%
Employees benefits expenses	702.89	17.50%	1,210.35	17.50%
Other expenses	1,106.43	27.60%	1,843.11	26.60%
Total Expenses	3,317.47	82.70%	5,588.94	80.70%
Profit Before Depreciation, Interest and Tax	692.96	17.30%	1,337.90	19.30%
Depreciation and amortisation expenses	858.20	21.40%	1,290.31	18.60%
Profit Before Interest and Tax	(165.24)	(4.10%)	47.59	0.70%
Finance Costs	106.78	2.70%	133.51	1.90%
Profit Before Tax	(272.02)	(6.80%)	(85.92)	(1.20%)
Tax expenses	(66.80)	(1.70%)	126.15	1.80%
Profit After Tax	(205.22)	(5.10%)	(212.07)	(3.10%)

Comparison of performance for FY ended March 31, 2020 with period ended December 31, 2020**Total Income****Revenue from Operations :**

We are into the business of Managed Printing Services, Printer manufacturing and distribution and Digital Services. The outbreak of Covid-19 pandemic and consequent lockdown from March 24, 2020, has impacted the regular business operations of the Group. The Group has started its manufacturing and service operations based on the guidelines issued by State and Central Government. The revenues for the period ending Dec 31, 2020 have been thus impacted due to the COVID-19 pandemic. However, it is important to note during the quarter ending Dec 31, 2020, the operations of the company have gradually reached close to pre-covid levels. The Revenue in Q3 20-21 has already reached the Q3 19-20 levels.

Other Income : Our other income for YTD Dec 2020 comprised mainly of the Interest Income, and rental income. The other income

Expenditure**Cost of Material Consumed :**

Our Cost of Material consumed includes the cost of the products sold; both manufactured and traded, and supply of consumables and spares for the managed printing services business. The Cost of Material consumed was is the similar range of 37.9% for the nine months ending December 2020 as compared to 37.1% for the FY 2019-20

Employee Cost :

Our employee expenses have decreased during the period ending December 31, 2020. This was mainly due to the wage cut announced by the company during the pandemic period for some of its staff and leadership team. The cost for the nine months period ending December 31, 2020 was Rs. 702.89 Lakhs as compared to Rs.928.75 Lakhs for the nine months period ending December 31, 2019 and Rs.1,210.3 Lakhs for the FY 2019-20

Manufacturing, Establishment, Administrative, Selling and Other Expenses :

Costs related to the mentioned activities have reduced significantly keeping in line with the reduced activity levels during the pandemic. The comparable costs for the nine months ending December 2020 was Rs.1,106.4 Lakhs vis a vis Rs.1,394.9 Lakhs for the nine months ending December 2019 and Rs. 1,843.1 Lakhs for FY 2019-20. Due to the pandemic situation we had undertaken several cost rationalisation measures in order to conserve cash and reduce losses. During this period, we have optimised our office locations, reduced the spend on Advertisement. Travel and other related costs reduced substantially as bulk of the work force was operating from home and travel was severely restricted. Freight, warranty and other related expenses for sales were reduced in line with the revenue.

Depreciation :

Our company incurs substantial capital expenditure for supplying printers under the managed printing services business. During the nine months ending December 2020 period, the additions were subdued as the activity levels of customers were restricted due to Covid-19 pandemic. Hence the depreciation for the period ending December 2020 reduced to Rs. 858.20 Lakhs as against Rs.962.9 Lakhs for nine months ending December 2019 and 1,290.31 Lakhs for FY 2019-20

Finance Cost :

The overall finance charges during the nine month period ending December 2020 has remained at same levels as the company has made efforts to conserve cash and maintain borrowings at similar levels. The overall finance cost was Rs.106.8Lakhs for nine months ending December 2020.

Profit after Tax (PAT)

The PAT for the period ending December 2020 was Rs. (205.20) Lakhs. This was primarily due to the revenue dip in the period under lockdown during April 2020 to September 2020. The company has however improved profitability post the ending of lock down period and in the Quarter 3 (October 2020 to December 2020) the company has generated PAT of Rs. 44.2 Lakhs.

SECTION - VIII

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Our Company and its Subsidiaries are subject to various legal proceedings from time to time, mostly arising in the ordinary course of our business. Except as disclosed below there are no outstanding litigation involving our Company and/or our Subsidiaries with respect to (i) issues of moral turpitude or criminal liability on the part of our Company and/or our Subsidiaries/Promoters/Directors, (ii) material violations of statutory regulations by our Company and/or our Subsidiaries /Promoters/Directors, (iii) economic offences where proceedings have been initiated against our Company and/or our Subsidiaries/Promoters/Directors, (iv) any matters which if they result in an adverse outcome would materially and adversely affect operations or financial position of our Company and/or our Subsidiaries/ Promoters/Directors.

For the purpose of point (iv) above, the Board of Directors on 6th February 2016 had approved a materiality policy ('Materiality Policy'). As per the said policy the materiality threshold shall be calculated based on audited financial statements of the last audited financial year, and would mean event/ information where the value involved or the impact (i) exceeds 10% per cent of the consolidated gross turnover, or (ii) exceeds 10% per cent of the consolidated net worth; (whichever is lower).

A. LITIGATIONS INVOLVING OUR COMPANY**(I) Litigations filed against our Company**

- a. Pending matters, which, if they result in an adverse outcome, would materially and adversely affect the operations or the financial position of our Company:*

Tax Proceedings

The following tax proceedings are pending against the Company:

- (i) **Income Tax**
NIL

- (ii) **Tax Deducted at Source (TDS)**
NIL

- b. Matters involving issues of moral turpitude or criminal liability on the part of our Company.*

There are no issues of moral turpitude or criminal liability on part of the Company.

- c. Matters involving material violations of Statutory Regulations by our Company.*

There are no material violations of Statutory Regulations by the Company.

d. Economic Offences where proceedings have been initiated against our Company.

There are no matters involving economic offences where proceedings have been initiated against our Company.

II. Litigations filed by our Company.

Pending matters, which, if they result in an adverse outcome, would materially and adversely affect the operations or the financial position of our Company:

i. WeP Solutions Limited v. Acropetal Technologies Limited

Our Company has filed Company Petition No. 246/2013 in the High Court of Karnataka at Bengaluru against Acropetal Technologies Limited seeking winding up of the Acropetal Technologies Limited under section 433 (e) and (f) read with section 434 of the Companies Act, 1956 for failing to discharge its liability of Rs. 5,537,445.49 (Rupees Fifty-Five Lakh Thirty-Seven Thousand Four Hundred Forty-Five and Forty-Nine Paise only) and interest @ 24 % p.a. accrued on this amount apart from Rs. 10,27,042 (Rupees Ten Lakhs Twenty-Seven Thousand Forty-Two only) for not returning the printers and accessories on the termination of the agreement which was provided by our company on terms of the Service Agreement dated 7.9.2011. The matter is presently at the order stage.

ii. WeP Solutions Limited v. M/s Power Craft Electronics Pvt. Limited & Ors.

Our company has filed petition bearing no. 3122/2017 in the court of XVIII Addl. City Civil Judge, at Bengaluru under Order 39 rule 1 and 2 read with Section 151 CPC against Power Craft Electronics Pvt. Limited and another, seeking relief against infringement of our copyright in respect of the user manual, brochure, etc. used for marketing our billing printers, and for passing off our well-established trademark in respect of the billing printers. The matter is currently pending.

iii. WeP Solutions Limited v. Commissioner of Central Excise, Bengaluru III, Commissionerate

Our Company has filed an appeal in the Customs, Excise and Service Tax Appellate Tribunal, Bengaluru aggrieved by an Order-in-Original No. BLR-EXCIS-003-COM-35-16-17 dated 31.03.2017 of Commissioner of Central Exercise for Rs. 5,81,29,154 (Rupees Five Crore Eighty One Lakh Twenty-Nine Thousand One Hundred Fifty-Four only). The appeal relates to three issues (i) Service Tax on the Income earned from 'Managed Printing Services' on which appropriate VAT has been assessed as deemed sale (ii) Credit taken by the Appellants as Input Service Distributor and attributable to their manufacturing unit at Baddi (iii) Non filing of ST3 returns in the name of Datanet Systems Limited. It has been prayed that the impugned order be set aside. The matter is presently pending and shall come up for hearing in due course.

B. LITIGATIONS INVOLVING OUR SUBSIDIARY

- a. *Pending matters, which, if they result in an adverse outcome, would materially and adversely affect the operations or the financial position of our Company:*

Tax Proceedings

The following tax proceedings are pending against the Subsidiary.

(i) Income Tax

NIL

(ii) Tax Deducted at Source (TDS)

Financial Year	Quarter	Form Type	Net Payable (Rounded Off) (₹)
<u>WeP Digital Services Limited (Subsidiary)</u>			
2020-21	Q1	26Q	24,600

- b. *Matters involving issues of moral turpitude or criminal liability on the part of our Subsidiary Companies.*

There are no issues of moral turpitude or criminal liability on part of our Subsidiary Companies.

- c. *Matters involving material violations of Statutory Regulations by our Subsidiary Companies.*

There are no material violations of Statutory Regulations by our Subsidiary Companies.

- d. *Economic Offences where proceedings have been initiated against our Subsidiary Companies.*

There are no matters involving economic offences where proceedings have been initiated against our Subsidiaries.

MATERIAL DEVELOPMENTS

WeP Solutions Limited ('WeP') had entered into a Distributorship Agreement with Ricoh Asia Pacific Operations Limited ('RicoH') for sale and service of Ricoh products for the entire Indian Market in the year 2019.

The Board of Directors of the Company, at its meeting held on February 13, 2020 had approved a scheme of amalgamation ("Scheme") providing for the merger of its wholly owned subsidiary WeP Digital Services Limited ("Transferor Company") with WeP Solutions Limited ("Transferee Company") pursuant to Sections 233 (Fast Track Merger). The Regional Director, South East Region,

Hyderabad vide order dated 10th September 2020 had not approved our application CP No.10/KAR/2020/Sec 233 of CA 2013/RD (SER) - Fast Track Merger on account of not meeting a technical requirement.

Further to this the Board of Directors of the Company, at its meeting held on December 28, 2020 considered and approved a scheme of amalgamation ("Scheme") pursuant to sections 230 to 232 and other relevant provisions of the Companies Act, 2013, providing for the merger of its wholly owned subsidiary WeP Digital Services Limited - ("Transferor Company") with WeP Solutions Limited ("Transferee Company"). The Scheme will come into effect subject to necessary statutory and regulatory approvals including the approval from the Shareholders and Creditors of the Transferor and Transferee Company.

Besides the above, to our knowledge no circumstances have arisen since the date of the latest audited balance sheet i.e. March 31, 2020, which materially and adversely affect or are likely to affect our operations, performance, prospects or profitability, or the value of our assets or our ability to pay material liabilities

GOVERNMENT AND OTHER APPROVALS

Our Company is required to comply with the provisions of various laws and regulations and obtain approvals, registration, permits and licenses under them for conducting our operations. The requirements for approvals may vary based on factors such as the activity being carried out and the legal requirements in the jurisdiction in which we are operating. Further, our obligation to obtain and renew such approvals arises periodically and applications for such approvals are made at the appropriate stage.

Our Company have obtained all the material consents, licenses, permissions, and approvals from governmental and regulatory authorities that are required for carrying on our present business activities. In the event, some of the approvals and licenses that are required for our business operations expire in the ordinary course of business, we will apply for their renewal, from time to time.

As on date of this Draft Letter of Offer, except as mentioned in this section, there are no pending material approvals required for our Company, to conduct our existing business and operations.

MATERIAL LICENCES / APPROVALS FOR WHICH OUR COMPANY HAS APPLIED AND THE SAME IS PENDING:

Sr. No.	Particulars/Description	Application Number	Date of Application	Authority
1.	Registration for the branch Office in Guwahati under Assam Shops and Establishments Act, 1971.	Application Number: CAF-SWA/2020/09308	November 25, 2020	Commissionerate of Industries and Commerce (Commissionerate of Industries and Commerce Assam)

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for this Issue

This Issue has been authorised by a resolution of our Board passed at its meeting held on November 6, 2020 pursuant to Section 62(1)(a) and other applicable provisions of the Companies Act, 2013.

The Rights Issue Committee of the Board Members of our Company in their meeting held on November 20, 2020 approved the Issue inter-alia on the following terms:

- a) Issue Size : 98,68,640 Equity Shares of Rs. 10/- each
- b) Issue Price : Rs. 10/- per Equity Share i.e. at par payable in cash
- c) Entitlement Ratio: 3 : 8 i.e. 3 Equity Shares for every 8 Equity Shares held by eligible Equity Shareholders of our Company as on Record Date

Our Company has received in-principle approvals from BSE in accordance with Regulation 28(1) of the SEBI Listing Regulations for listing of the Rights Equity Shares to be Allotted in this Issue pursuant to their letter Ref : [●] dated [●].

Our Company will also make applications to BSE to obtain their trading approvals for the Rights Entitlements as required under the SEBI Rights Issue Circulars. Our Company has been allotted the ISIN [●] for the Rights Entitlements to be credited to the respective demat accounts of the Equity Shareholders of our Company. For details, see "Terms of the Issue" on page 123.

Prohibition by SEBI

Our Company, our Promoter, our Promoter Group or our Directors have not been and are not prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI.

Our Company, our Promoter, our Promoter Group or our Directors are not debarred from accessing the capital market by the SEBI.

The companies with which our Promoter or our Directors are associated as promoter or directors have not been debarred from accessing the capital market by SEBI.

Neither our Promoter nor our Directors are declared as Fugitive Economic Offenders.

Association of our Directors with securities market
None of our Directors are associated with the securities market.

Prohibition by RBI

Neither our Company, our Promoters nor our Directors have been or are identified as Wilful Defaulters.

Eligibility for this Issue

Our Company is a listed company and has been incorporated under the Companies Act, 1956. Our Equity Shares are presently listed on BSE Limited. Our Company is eligible to offer Rights Equity

Shares pursuant to this Issue in terms of Chapter III of the SEBI ICDR Regulations and other applicable provisions of the SEBI ICDR Regulations. Further, our Company is undertaking this Issue in compliance with Part B of Schedule VI of the SEBI ICDR Regulations.

Compliance with Regulations 61 and 62 of the SEBI ICDR Regulations

Our Company is in compliance with the conditions specified in Regulations 61 and 62 of the SEBI ICDR Regulations, to the extent applicable. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI ICDR Regulations, our Company has made applications to the Stock Exchanges and have received their in-principle approvals for listing of the Rights Equity Shares to be issued pursuant to this Issue. BSE is the Designated Stock Exchange for this Issue.

Compliance with Clause (1) of Part B of Schedule VI of the SEBI ICDR Regulations

Our Company is in compliance with the provisions specified in Clause (1) of Part B of Schedule VI of the SEBI ICDR Regulations as explained below:

1. Our Company has been filing periodic reports, statements and information in compliance with the SEBI Listing Regulations, as applicable for last one year immediately preceding the date of filing of this Draft Letter of Offer with the Designated Stock Exchange;
2. The reports, statements and information referred to above are available on the websites of BSE; and
3. Our Company has an investor grievance-handling mechanism which includes meeting of the Stakeholders' Relationship Committee at frequent intervals, appropriate delegation of power by our Board as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances.

As our Company satisfies the conditions specified in Clause (1) of Part B of Schedule VI of SEBI ICDR Regulations, disclosures in this Letter of Offer have been made in terms of Clause (4) of Part B of Schedule VI of the SEBI ICDR Regulations.

DISCLAIMER CLAUSE OF SEBI

SEBI vide its circular bearing number SEBI/HO/CFD/CIR/CFD/DIL/67/2020 dated April 21, 2020 has granted certain relaxations with respect to rights issues under the SEBI ICDR Regulations. One of those relaxations is the increase of threshold of the rights issue size for filing of the Draft Letter of Offer with SEBI. The threshold of the rights issue size under Regulation 3 of the SEBI ICDR Regulations has further been increased to Rs. 50 crores. Since the size of this Issue falls under the threshold, the Draft Letter of Offer had been filed with BSE and will not be filed with SEBI.

Disclaimer Clause of BSE

As required, a copy of this Draft Letter of Offer has been submitted to BSE. The disclaimer clause, as intimated by BSE to our Company, post scrutiny of this Draft Letter of Offer, shall be included in the Letter of Offer prior to the filing with Stock Exchange.

Disclaimer clauses from our Company and the Lead Manager

Our Company and the Lead Manager(s) accept no responsibility for statements made otherwise than in this Draft Letter of Offer or in any advertisement or other material issued by our Company or by any other persons at the instance of our Company and anyone placing reliance on any other source of information would be doing so at their own risk.

Investors who invest in this Issue will be deemed to have represented to our Company and the Lead Manager(s) and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Rights Equity Shares, and are relying on independent advice / evaluation as to their ability and quantum of investment in this Issue.

Caution:

Our Company and the Lead Manager shall make all relevant information available to the Eligible Equity Shareholders in accordance with the SEBI ICDR Regulations and no selective or additional information would be available for a section of the Eligible Equity Shareholders in any manner whatsoever, including at presentations, in research or sales reports, etc., after filing this Draft Letter of Offer.

No dealer, salesperson or other person is authorised to give any information or to represent anything not contained in this Draft Letter of Offer. You must not rely on any unauthorised information or representations. This Draft Letter of Offer is an offer to sell only the Rights Equity Shares and rights to purchase the Rights Equity Shares offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this Draft Letter of Offer is current only as of its date.

Disclaimer with respect to jurisdiction

This Draft Letter of Offer has been prepared under the provisions of Indian laws and the applicable rules and regulations thereunder. Any disputes arising out of this Issue will be subject to the jurisdiction of the appropriate court(s) in Bengaluru, Karnataka, India only.

Designated Stock Exchange

The Designated Stock Exchange for the purpose of this Issue is BSE.

Selling Restrictions

The distribution of this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and the issue of Rights Entitlements and Rights Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Application Form and the Rights Entitlement Letter may come are required to inform themselves about and observe such restrictions.

This Draft Letter of Offer and its accompanying documents are being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose.

The Rights Equity Shares and Rights Entitlements may not be offered or sold, directly or indirectly, and none of this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, Application Forms, the Rights Entitlement Letter or any offering materials or advertisements in connection with the Rights Equity Shares or Rights Entitlements may be distributed or published in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. No action has been or will be taken to permit this Issue in any jurisdiction, or the possession, circulation, or distribution of this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Application Forms, the Rights Entitlement Letter or any other material relating to our Company, the Rights Equity Shares or Rights Entitlements in any jurisdiction, where any action would be required in such jurisdiction for that purpose.

Receipt of this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Application Forms and the Rights Entitlement Letter will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer. If this Draft Letter of Offer is received by any person in any jurisdiction where to do so would or might contravene local securities laws or regulation, or by their agent or nominee, they must not seek to subscribe to the Rights Equity Shares or the Rights Entitlements referred to in this Draft Letter of Offer.

Investors are advised to consult their legal counsel prior to applying for the Rights Entitlements and Rights Equity Shares or accepting any provisional allotment of Rights Equity Shares, or making any offer, sale, resale, pledge or other transfer of the Rights Equity Shares or Rights Entitlements.

Neither the delivery of this Draft Letter of Offer nor any sale hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as of any time subsequent to this date or the date of such information.

NOTICE TO INVESTORS

NO ACTION HAS BEEN TAKEN OR WILL BE TAKEN THAT WOULD PERMIT A PUBLIC OFFERING OF THE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES TO OCCUR IN ANY JURISDICTION OTHER THAN INDIA, OR THE POSSESSION, CIRCULATION OR DISTRIBUTION OF THIS DRAFT LETTER OF OFFER OR ANY OTHER MATERIAL RELATING TO OUR COMPANY, THE RIGHTS ENTITLEMENTS OR THE RIGHTS EQUITY SHARES IN ANY JURISDICTION WHERE ACTION FOR SUCH PURPOSE IS REQUIRED. ACCORDINGLY, THE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES MAY NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, AND NEITHER THIS DRAFT LETTER OF OFFER NOR ANY OFFERING MATERIALS OR ADVERTISEMENTS IN CONNECTION WITH THE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES MAY BE DISTRIBUTED OR PUBLISHED IN OR FROM ANY COUNTRY OR JURISDICTION EXCEPT IN ACCORDANCE WITH THE LEGAL REQUIREMENTS APPLICABLE IN SUCH COUNTRY OR JURISDICTION. THIS ISSUE WILL BE MADE IN COMPLIANCE WITH THE APPLICABLE SEBI REGULATIONS. EACH PURCHASER OF THE RIGHTS ENTITLEMENTS OR THE RIGHTS EQUITY SHARES IN THIS ISSUE WILL BE DEEMED TO HAVE MADE ACKNOWLEDGMENTS AND AGREEMENTS AS DESCRIBED UNDER "SELLING RESTRICTIONS" ON PAGE 119.

Filing

SEBI vide its circular bearing number SEBI/HO/CFD/CIR/CFD/DIL/67/2020 dated April 21, 2020 has granted certain relaxations with respect to rights issues under the SEBI ICDR Regulations. One of those relaxations is the increase of threshold of the rights issue size for filing of the Draft Letter of Offer with SEBI. The threshold of the rights issue size under Regulation 3 of the SEBI ICDR Regulations has further been increased to Rs. 50 crores. Since the size of this Issue falls under the threshold, the Draft Letter of Offer had been filed with BSE and will not be filed with SEBI.

This Letter of Offer is being filed with the Designated Stock Exchange i.e. BSE, and pursuant to the proviso to Regulation 3 of the SEBI ICDR Regulations, the Letter of Offer is submitted to SEBI for information and dissemination on the SEBI's website.

Investor Grievances and Redressal System

Our Company has adequate arrangements for the redressal of investor complaints in compliance with the corporate governance requirements under the Listing Agreement.

Our Company has a Stakeholders' Relationship Committee which currently comprises of three members. The terms of reference, inter alia, include redressal of investors'/ shareholder'/ security holders' complaints pertaining to transfer of securities, non-receipt of annual reports, non-receipt of declared dividend, issue of duplicate certificates, and to carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory modification, amendment or modifications as may be applicable. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular no. CIR/OIAE/2/2011 dated June 3, 2011. Consequently, investor grievances are tracked online by our Company.

The Investor complaints received by our Company are generally disposed of within 30 days from the date of receipt of the complaint.

Investors may contact the Registrar or our Company Secretary and Compliance Officer for any pre-Issue or post Issue related matter. All grievances relating to the ASBA process or RWAP may be addressed to the Registrar, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e mail address of the sole/ first holder, folio number or demat account number, number of Rights Equity Shares applied for, amount blocked (in case of ASBA process) or amount debited (in case of R-WAP process), ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process), and copy of the e-acknowledgement (in case of RWAP process). For details on the ASBA process and RWAP process, see "Terms of the Issue" on page 123. The contact details of Registrar to the Issue, our Company Secretary and Compliance Officer are as follows:

Registrar to the Issue**Cameo Corporate Services Limited**

Subrananian Building, No.1,
Club House Road, Near Spenser Signal
On Anna Salai, Chennai, Tamil Nadu-600002

Telephone no.: +91 044 40020700

E-mail: priya@cameoindia.com

Website: www.cameoindia.com

Investor grievance e-mail: cameo@cameoindia.com

Contact Person: Ms. Sreepriya

SEBI Registration No.: INR000003753

CIN: U67120TN1998PLC041613

Company Secretary and Compliance Officer**Ms. Sujata Pratik Shaha**

40/1 A Basappa Complex Lavelle Road **Bengaluru** 560 001

Telephone no.: 8861444452

Email: compliance.officer@wepsol.in

In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar to the Issue at <https://rights.cameoindia.com/wep>.

SECTION IX

ISSUE RELATED INFORMATION**TERMS OF THE ISSUE**

This section is for the information of the Investors proposing to apply in this Issue. Investors should carefully read the provisions contained in this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, before submitting the Application Form. Our Company and the Lead Manager are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors are advised to make their independent investigation and ensure that the Application Form is correctly filled up. Unless otherwise permitted under the SEBI ICDR Regulations read with SEBI Rights Issue Circulars, Investors proposing to apply in this Issue can apply only through ASBA or by mechanism as disclosed in this section.

Overview

This Issue and the Rights Equity Shares proposed to be issued on a rights basis, are subject to the terms and conditions contained in this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form and the Memorandum of Association and the Articles of Association of our Company, the provisions of the Companies Act, 2013, FEMA, FEMA Rules, the SEBI ICDR Regulations, the SEBI Listing Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from RBI or other regulatory authorities, the terms of the Listing Agreements entered into by our Company with the Stock Exchanges and the terms and conditions as stipulated in the Allotment advice.

Important:**1. Dispatch and availability of Issue materials:**

In accordance with the SEBI ICDR Regulations, the SEBI Rights Issue Circulars, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter, and other Issue material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Investors can access this Draft Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) on the websites of:

- (i) our Company at www.wepsolutions.co.in;
- (ii) the Registrar at <https://rights.cameoindia.com/wep>
- (iii) the Lead Manager, i.e., Arihant Capital Markets Limited at www.arihantcapital.com;
- (iv) the Stock Exchanges at www.bseindia.com; and

- (v) the Registrar's web-based application platform at <https://rights.cameoindia.com/wep> ("R-WAP").

To update the respective Indian addresses/e-mail addresses/phone or mobile numbers in the records maintained by the Registrar or by our Company, Eligible Equity Shareholders should visit <https://rights.cameoindia.com/wep>.

Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., <https://rights.cameoindia.com/wep>) by entering their DP ID and Client ID or Folio Number and PAN (in case of Eligible Equity Shareholders holding Equity Shares in physical form). The link for the same shall also be available on the website of our Company (i.e., www.wepsolutions.co.in)

Further, our Company along with the Lead Manager will undertake all adequate steps to reach out the Eligible Equity Shareholders who have provided their Indian address through other means, as may be feasible. In light of the current COVID-19 situation, our Company, the Lead Manager and the Registrar will not be liable for non-dispatch of physical copies of Issue materials, including this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form.

Please note that neither our Company nor the Registrar nor the Lead Manager shall be responsible for non-dispatch of physical copies of Issue materials, including this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form or delay in the receipt of this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the email addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit.

The distribution of this Draft Letter of Offer, Letter of Offer, Abridged Letter of Offer, the Rights Entitlement Letter and the issue of Rights Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that this Draft Letter of Offer is being filed with SEBI and the Stock Exchanges. Accordingly, the Rights Entitlements and Rights Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with this Issue may not be distributed, in any jurisdiction outside India, except in accordance with and as permitted under the legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed.

Accordingly, persons receiving a copy of this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form should not, in connection with the issue of the Equity Shares or the Rights Entitlements, distribute or send this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the

Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations or would subject our Company or its affiliates or the Lead Manager or its affiliates to any filing or registration requirement (other than in India). If this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who makes an application to acquire Rights Entitlements and the Rights Equity Shares offered in the Issue will be deemed to have declared, represented and warranted that such person is authorized to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in such person's jurisdiction and India, without requirement for our Company or our affiliates or the Lead Manager or its affiliates to make any filing or registration.

2. Facilities for Application in this Issue:

In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use either the ASBA process or the optional mechanism instituted only for resident Investors in this Issue, i.e., R-WAP. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA or using the R-WAP. For details, see “- Procedure for Application through the ASBA Process” and “- Procedure for Application through the R-WAP” on page 139.

The Application Form can be used by the Eligible Equity Shareholders as well as the Renouncees, to make Applications in this Issue basis the Rights Entitlement credited in their respective demat accounts or demat suspense escrow account, as applicable. For further details on the Rights Entitlements and demat suspense escrow account, see “Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders on Page 127”

In accordance with the SEBI Rights Issue Circular, the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, desirous of subscribing to Equity Shares may also apply in this Issue during the Issue Period.

Please note that one single Application Form shall be used by Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Equity Shareholders holding shares in physical form as on Record Date and applying in this Issue, as applicable. In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account. Investors may apply for the Equity Shares by:

- (a) **ASBA facility:** Investors can submit either the Application Form in physical mode to the Designated Branch of the SCSBs or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) authorizing the SCSB to block the Application Money in an ASBA Account maintained with the SCSB. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility.

Investors should note that the ASBA process involves procedures that are different from the procedure under the R-WAP process. Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process. For details, see “Procedure for Application through the ASBA Process” on page 139.

Please note that subject to SCSBs complying with the requirements of SEBI Circular CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs

Further, in terms of the SEBI Circular CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

(b) Registrar’s Web-based Application Platform (R-WAP):

In accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020 read with SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, a separate web-based application platform, i.e., the R-WAP facility (accessible at <https://rights.cameoindia.com/wep>), has been instituted for making an Application in this Issue by resident Investors. Further, R-WAP is only an additional option and not a replacement of the ASBA process. At the R-WAP, resident Investors can access and submit the online Application Form in electronic mode using the R-WAP and make online payment using their internet banking or UPI facility from their own bank account thereat.

PLEASE NOTE THAT ONLY RESIDENT INVESTORS CAN SUBMIT AN APPLICATION USING THE R-WAP. R-WAP FACILITY WILL BE OPERATIONAL FROM THE ISSUE OPENING DATE. FOR RISKS ASSOCIATED WITH THE R-WAP PROCESS, SEE “RISK FACTORS - THE R-WAP PAYMENT MECHANISM FACILITY PROPOSED TO BE USED FOR THIS ISSUE MAY BE EXPOSED TO RISKS, INCLUDING RISKS ASSOCIATED WITH PAYMENT GATEWAYS” ON PAGE 21.

For guidance on the Application process through R-WAP and resolution of difficulties faced by the Investors, the Investors are advised to carefully read the frequently asked questions, visit the online/ electronic dedicated investor helpdesk (<https://rights.cameoindia.com/wep>) or call helpline number 7338808559. For details, see “Procedure for Application through the R-WAP” on page 139.

Applicants should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB) and R-WAP. Please note that incorrect depository account details or PAN or Application Forms without depository account details (except in case of Eligible Equity Shareholders who hold Equity Shares in physical form and are applying in this Issue in accordance with the SEBI Rights Issue Circular through R-WAP) shall be treated as incomplete and shall be rejected. For details see “Grounds for Technical Rejection” appearing on Page 151 of this Draft Letter of Offer. Our Company, the Lead Manager, the Registrar and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see “Application on Plain Paper under ASBA process” appearing on Page 142 of this Draft Letter of Offer.

3. Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account (namely, “CCSL-Wep Solutions Ltd – Rights Issue Demat Account”) opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (e) credit of the Rights Entitlements returned/reversed/failed; or (f) the ownership of the Equity Shares currently under dispute, including any court proceedings.

Eligible Equity Shareholders are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to the Company or the Registrar not later than two Working Days prior to the Issue Closing Date, i.e., by [●] to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to the Company or the Registrar account is active to facilitate the aforementioned transfer.

4. Application by Eligible Equity Shareholders holding Equity Shares in physical form:

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

In accordance with the SEBI Rights Issue Circulars (a) the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date; or (b) the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, desirous of subscribing to Rights Equity Shares may also apply in this Issue during

the Issue Period. Application by such Eligible Equity Shareholders is subject to following conditions:

- i the Eligible Equity Shareholders apply only through R-WAP;
- ii the Eligible Equity Shareholders are residents;
- iii the Eligible Equity Shareholders are not making payment from non-resident account;
- iv the Eligible Equity Shareholders shall not be able to renounce their Rights Entitlements; and
- v the Eligible Equity Shareholders shall receive Rights Equity Shares, in respect of their Application, only in demat mode.

Accordingly, such resident Eligible Equity Shareholders are required to send a communication to our Company or the Registrar containing the name(s), Indian address, email address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by post, speed post, courier, electronic mail or hand delivery, to enable process of credit of Rights Equity Shares in such demat account.

Prior to the Issue Opening Date, the Rights Entitlements of those resident Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense escrow account opened by our Company.

Eligible Equity Shareholders must check the procedure for Application by and credit of Rights Equity Shares in “**Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form**” and “**Credit and Transfer of Rights Equity Shares in case of Shareholders holding Equity Shares in Physical Form and disposal of Rights Equity Shares for non-receipt of demat account details in a timely manner**” on pages 145 and 157, respectively.

5. Other important links and helpline:

The Investors can visit following links for the below-mentioned purposes:

- Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors: <https://rights.cameoindia.com/wep>
- Updation of Indian address/ email address/ mobile number in the records maintained by the Registrar or our Company: investor@wepsol.in
- Updation of demat account details by Eligible Equity Shareholders holding shares in physical form: <https://rights.cameoindia.com/wep>
- Submission of self-attested PAN, client master sheet and demat account details by non-resident Eligible Equity Shareholders : by email to priya@cameoindia.com

Renouncees

All rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renouncee(s) as well.

Basis for this Issue

The Rights Equity Shares are being offered for subscription for cash to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held in dematerialised form and on the register of members of our Company in respect of our Equity Shares held in physical form at the close of business hours on the Record Date.

Rights Entitlements

As your name appears as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialised form or appears in the register of members of our Company as an Eligible Equity Shareholder in respect of our Equity Shares held in physical form, as on the Record Date, you may be entitled to subscribe to the number of Rights Equity Shares as set out in the Rights Entitlement Letter. Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., <https://rights.cameoindia.com/wep>) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and one certificate number. The link for the same shall also be available on the website of our Company (i.e. www.wepsolutions.co.in)

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date only in dematerialised form. If Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar (i.e., <https://rights.cameoindia.com/wep>). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts, except in case of resident Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and applying through R-WAP (an additional optional facility).

For details of Application through R-WAP by the Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, see “- Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form” and “- Credit and Transfer of Rights Equity Shares in case of Shareholders holding Equity Shares in Physical Form and disposal of Rights Equity Shares for non-receipt of demat account details in a timely manner” on pages 145 and 157, respectively.

Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and will send the Abridged Letter of Offer and the Application Form and other applicable Issue materials only to email addresses of Eligible Equity Shareholders who have provided an Indian address to our Company. This Draft Letter of Offer will be provided, only through email, by the Registrar on behalf of our Company or the Lead Manager to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard. This Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer and the Application Form may also be accessed on the websites of the Registrar, <https://rights.cameoindia.com/wep>, our Company at www.wepsolutions.co.in and the Lead Manager at www.arihantcapital.com through a link contained in the aforementioned email sent to email addresses of Eligible Equity Shareholders (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) and on the Stock Exchange websites. The distribution of this Draft Letter of Offer, Letter of Offer, Abridged Letter of Offer, the Rights Entitlement Letter and the issue of Rights Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that this Letter of Offer has been filed with SEBI and the Stock Exchanges. Accordingly, the Rights Entitlements and Rights Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related

materials or advertisements in connection with this Issue may not be distributed, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed. Accordingly, persons receiving a copy of this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations. If this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who acquires Rights Entitlements or makes an Application will be deemed to have declared, warranted and agreed, by accepting the delivery of this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, that it is entitled to subscribe for the Rights Equity Shares under the laws of any jurisdiction which apply to such person.

PRINCIPAL TERMS OF THIS ISSUE

Face Value

Each Rights Equity Share will have the face value of ₹ 10/-.

Issue Price

Each Rights Equity Share is being offered at a price of ₹ 10 per Rights Equity Share (at par) in this Issue. Entire amount of Rs. 10/- per Equity Share is payable on application.

The Issue Price for Rights Equity Shares has been arrived at by our Company in consultation with the Lead Manager.

Rights Entitlements Ratio

The Rights Equity Shares are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of 3 (three) Rights Equity Share for every 8(eight) Equity Shares held by the Eligible Equity Shareholders as on the Record Date.

Renunciation of Rights Entitlements

This Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat accounts either in full or in part. The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchanges or through an off-market transfer. For details, see “ - Procedure for Renunciation of Rights Entitlements” on page 141. In accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020 read with SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, will not be able to renounce their Rights Entitlements.

Credit of Rights Entitlements in dematerialised account

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account (namely, “CCSL-Wep Solutions Ltd - Rights Issue Demat Account”) opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (e) credit of the Rights Entitlements returned/reversed/failed; or (f) the ownership of the Equity Shares currently under dispute, including any court proceedings.

In this regard, our Company has made necessary arrangements with NSDL and CDSL for the crediting of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is [●]. The said ISIN shall remain frozen (for debit) until the Issue Opening Date. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Eligible Equity Shareholders are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to the Company or the Registrar not later than two Working Days prior to the Issue Closing Date i.e., by [●] to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to the Company or the Registrar account is active to facilitate the aforementioned transfer. Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat suspense escrow account to the Stock Exchanges after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after entering in their respective details along with other security control measures implemented thereat

Trading of the Rights Entitlements

In accordance with the SEBI Rights Issue Circulars, the Rights Entitlements credited shall be admitted for trading on the Stock Exchanges under ISIN [●]. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchanges for trading of Rights Entitlements. Investors shall be able to trade their Rights Entitlements either through On Market Renunciation or through Off Market Renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

The On-Market Renunciation shall take place electronically on the secondary market platform of the Stock Exchanges on T+2 rolling settlement basis, where T refers to the date of trading. The transactions will be settled on trade-for-trade basis. The Rights Entitlements shall be tradable in dematerialized form only. The market lot for trading of Rights Entitlements is 1 (one) Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from [●] to [●] (both days inclusive). No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade.

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date. For details, see “- Procedure for Renunciation of Rights Entitlements – On Market Renunciation” and “- Procedure for Renunciation of Rights Entitlements – Off Market Renunciation” on page 141.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

Terms of Payment

The Equity Shares are offered at par i.e. Rs. 10/- per Equity Share. Entire amount of Rs. 10/- per Equity Share is payable on application.

Where an Applicant has applied for additional Rights Equity Shares and is Allotted a lesser number of Rights Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The un-blocking of ASBA funds / refund of monies shall be completed be within such period as prescribed under the SEBI ICDR Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

Fractional Entitlements

The Rights Equity Shares are being offered on a rights basis to existing Eligible Equity Shareholders in the ratio of 03 (three) Rights Equity Shares for every 08 (eight) Equity Shares held as on the Record Date. As per SEBI Rights Issue Circulars, the fractional entitlements are to be ignored. Accordingly, if the shareholding of any of the Eligible Equity Shareholders is less than 08 (eight) Equity Shares or is not in the multiple of 08 (eight) Equity Shares, the fractional entitlements of such Eligible Equity Shareholders shall be ignored by rounding down of their Rights Entitlements. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the Allotment of one additional Rights Equity Share if they apply for additional Rights Equity Shares over and above their Rights Entitlements, if any, subject to availability of Rights Equity

Shares in this Issue post allocation towards Rights Entitlements applied for.

The Eligible Equity Shareholders holding less than 2 Equity Shares shall have 'zero' entitlement for the Rights Equity Shares. Such Eligible Equity Shareholders are entitled to apply for additional Rights Equity Shares and will be given preference in the Allotment of one Rights Equity Share, if such Eligible Equity Shareholders apply for additional Rights Equity Shares, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for. However, shareholders with zero entitlement cannot renounce the same in favour of third parties.

Credit Rating

As this Issue is a rights issue of Rights Equity Shares, there is no requirement of credit rating for this Issue.

Ranking

The Rights Equity Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI ICDR Regulations, the SEBI Listing Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the Stock Exchanges and the terms and conditions as stipulated in the Allotment advice. The Rights Equity Shares to be issued and Allotted under this Issue shall, upon being fully paid up, rank *pari passu* with the existing Equity Shares, in all respects including dividends. In respect of the Rights Equity Shares, Investors are entitled to dividend in proportion to the amount paid up and their voting rights exercisable on a poll shall also be proportional to their respective share of the paid-up equity capital of our Company.

Listing and trading of the Rights Equity Shares to be issued pursuant to this Issue

Subject to receipt of the listing and trading approvals, the Rights Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchanges. Unless otherwise permitted by the SEBI ICDR Regulations, the Rights Equity Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary formalities for listing and commencement of trading in the Rights Equity Shares will be taken within such period prescribed under the SEBI ICDR Regulations. Our Company has received in-principle approval from the BSE through letter dated [•]. Our Company will apply to BSE for final approvals for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under this Issue will trade after the listing thereof.

The existing Equity Shares are listed and traded on BSE (Scrip Code: 532373) under the ISIN: INE424B01029. The Rights Equity Shares shall be credited to a temporary ISIN which will be frozen until the receipt of the final listing/ trading approvals from the Stock Exchanges. Upon receipt of such listing and trading approvals, the Rights Equity Shares shall be debited from such temporary ISIN and credited to the existing ISIN for the Rights Equity Shares and thereafter be available for trading and the temporary ISIN shall be permanently deactivated in the depository system of CDSL and NSDL.

The listing and trading of the Rights Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

In case our Company fails to obtain listing or trading permission from the Stock Exchanges, we shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within seven days of receipt of intimation from the Stock Exchanges, rejecting the application for listing of the Rights Equity Shares, and if any such money is not refunded/ unblocked within eight days after our Company becomes liable to repay it, our Company and every director of our Company who is an officer-in-default shall, on and from the expiry of the eighth day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

Subscription to this Issue by our Promoter and our Promoter Group

For details of the intent and extent of subscription by our Promoter and the Promoter Group, see “Subscription to the Issue by our Promoter and Promoter Group” on page 12.

Rights of Holders of Rights Equity Shares of our Company

Subject to applicable laws, Rights Equity Shareholders shall have the following rights in proportion to amount paid-up on the Rights Equity Shares:

- a. The right to receive dividend, if declared;
- b. The right to vote in person, or by proxy, except in case of Rights Equity Shares credited to the demat suspense account for resident Eligible Equity Shareholders holding Equity Shares in physical form;
- c. The right to receive surplus on liquidation;
- d. The right to free transferability of Rights Equity Shares;
- e. The right to attend general meetings of our Company and exercise voting powers in accordance with law, unless prohibited / restricted by law and as disclosed under “Credit and Transfer of Rights Equity Shares in case of Shareholders holding Equity Shares in Physical Form and disposal of Rights Equity Shares for non-receipt of demat account details in a timely manner” on page 157; and
- f. Such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association.

GENERAL TERMS OF THE ISSUE

Market Lot

The Rights Equity Shares of our Company shall be tradable only in dematerialized form. The market lot for Rights Equity Shares in dematerialised mode is one Equity Share.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of Rights Equity Shares offered in this Issue.

Nomination

Nomination facility is available in respect of the Rights Equity Shares in accordance with the provisions

of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014.

Since the Allotment is in dematerialised form, there is no need to make a separate nomination for the Rights Equity Shares to be Allotted in this Issue. Nominations registered with the respective DPs of the Investors would prevail. Any Investor holding Equity Shares in dematerialised form and desirous of changing the existing nomination is requested to inform its Depository Participant.

Arrangements for Disposal of Odd Lots

The Rights Equity Shares shall be traded in dematerialised form only and, therefore, the marketable lot shall be one Rights Equity Share and hence, no arrangements for disposal of odd lots are required.

Notices

In accordance with the SEBI ICDR Regulations, SEBI Rights Issue Circulars and MCA General Circular No. 21/2020, our Company will send, only through email, the Abridged Letter of Offer, the Application Form and other applicable Issue material to the email addresses of all the Eligible Equity Shareholders who have provided their Indian addresses to our Company. The Letter of Offer will be provided by the Registrar on behalf of our Company or the Lead Manager to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard.

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation, one Hindi language national daily newspaper with wide circulation and one Kannada language national daily newspaper with wide circulation (Kannada being the regional language of Bengaluru, where our Registered Office is situated).

This Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer and the Application Form shall also be submitted with the Stock Exchanges for making the same available on their websites.

Offer to Non-Resident Eligible Equity Shareholders/Investors

As per Rule 7 of the FEMA Rules, the RBI has given general permission to Indian companies to issue rights equity shares to non-resident shareholders including additional rights equity shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 read with Foreign Exchange (Non-Debt Instruments) Regulations, 2019, issued by the RBI, non-residents may, amongst other things, (i) subscribe for additional shares over and above their Rights Entitlements; (ii) renounce the shares offered to them either in full or part thereof in favour of a person named by them; or (iii) apply for the shares renounced in their favour. Applications received from NRIs and non-residents for allotment of Rights Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by the RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Rights Equity Shares and issue of Rights Entitlement Letters/ letters of Allotment/Allotment advice. If a non-resident or NRI Investor has specific approval from RBI, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar at priya@cameoindia.com.

The Abridged Letter of Offer, the Application Form and other applicable Issue materials shall be sent to the email address of non-resident Eligible Equity Shareholders who have provided an Indian address to our Company. Investors can access this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of the Registrar, our

Company, the Lead Manager and the Stock Exchanges. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by the RBI while approving the Allotment. The Rights Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Rights Equity Shares are issued on rights basis.

In case of change of status of holders, i.e., from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company and the Lead Manager.

Please note that only resident Investors can submit an Application using the R-WAP web-based application platform.

Please also note that pursuant to Circular No. 14 dated September 16, 2003 issued by the RBI, Overseas Corporate Bodies (“OCBs”) have been derecognized as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of the RBI and to obtain prior approval from RBI for applying in this Issue. The non-resident Eligible Equity Shareholders can update their Indian address in the records maintained by the Registrar and our Company by submitting their respective copies of self-attested proof of address, passport, etc. by email to priya@cameoindia.com.

PROCEDURE FOR APPLICATION

How to Apply

In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use either the ASBA process or the optional mechanism instituted only for resident Investors in this Issue, i.e., R-WAP. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA or using the R-WAP.

For details of procedure for application by the resident Eligible Equity Shareholders holding Equity Shares in physical form as on the Record Date, see “Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form” on page 146.

The Lead Manager, our Company, its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Application Form

The Application Form for the Rights Equity Shares offered as part of this Issue would be sent to email address and to the registered address, where no email id is provided, of the Eligible Equity Shareholders who have provided an Indian address to our Company. The Application Form along with the Abridged Letter of Offer and other applicable Issue material shall be sent through email / registered post at least three days before the Issue Opening Date. In case of non-resident Eligible Equity Shareholders, the Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent through email or to the registered address, where no email id is provided, if they have provided an Indian address to our Company.

Please note that neither our Company nor the Registrar nor the Lead Manager shall be responsible for delay in the receipt of this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the email addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit.

To update the respective email addresses/ mobile numbers in the records maintained by the Registrar or our Company, Eligible Equity Shareholders should visit <https://rights.cameoindia.com/wep>. Investors can access this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of:

- (i) our Company at www.wepsolutions.co.in
- (ii) the Registrar at <https://rights.cameoindia.com/wep>
- (iii) the Lead Manager at <https://www.arihantcapital.com/>;
- (iv) the Stock Exchanges at www.bseindia.com; and
- (v) the Web based Platform R-WAP at <https://rights.cameoindia.com/wep>

The Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., <https://rights.cameoindia.com/wep>) by entering their DP ID and Client ID or Folio Number (in case of resident Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (i.e., www.wepsolutions.co.in).

The Application Form can be used by the Investors, Eligible Equity Shareholders as well as the Renouncees, to make Applications in this Issue basis the Rights Entitlements credited in their respective demat accounts or demat suspense escrow account, as applicable. Please note that one single Application Form shall be used by the Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Equity Shareholders holding shares in physical form as on Record Date and applying in this Issue, as applicable. In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may accept this Issue and apply for the Rights Equity Shares (i) submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts, or (ii) filling the online Application Form available on R-WAP and make online payment using the internet banking or UPI facility from their own bank account thereat. Please note that Applications made with payment using third party bank accounts are liable to be rejected.

Investors are also advised to ensure that the Application Form is correctly filled up stating therein, (i) the ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB; or (ii) the requisite internet banking or UPI details (in case of Application through R-WAP, which is available only for resident Investors).

Please note that Applications without depository account details shall be treated as incomplete and

shall be rejected, except in case of Eligible Equity Shareholders who hold Equity Shares in physical form and are applying in this Issue in accordance with the SEBI Rights Issue Circulars through Web based Platform RWAP.

Applicants should note that they should very carefully fill-in their depository account details and PAN number in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB) and Web Based Platform R-WAP. Incorrect depository account details or PAN number could lead to rejection of the Application. For details see “- Grounds for Technical Rejection” on page 151. Our Company, the Lead Manager, the Registrar and the SCSB shall not be liable for any incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see “Application on Plain Paper under ASBA process” on page 142.

Options available to the Eligible Equity Shareholders

The Rights Entitlement Letter will clearly indicate the number of Rights Equity Shares that the Eligible Equity Shareholder is entitled to.

If the Eligible Equity Shareholder applies in this Issue, then such Eligible Equity Shareholder can:

- (i) apply for its Rights Equity Shares to the full extent of its Rights Entitlements; or
- (ii) apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
- (iii) apply for Rights Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
- (iv) apply for its Rights Equity Shares to the full extent of its Rights Entitlements and apply for additional Rights Equity Shares; or
- (v) renounce its Rights Entitlements in full.

In accordance with the SEBI Rights Issue Circulars, (a) the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date; or (b) the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, desirous of subscribing to Rights Equity Shares may also apply in this Issue during the Issue Period. Such resident Eligible Equity Shareholders must check the procedure for Application by and credit of Rights Equity Shares in “Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form” and “Credit and Transfer of Rights Equity Shares in case of Shareholders holding Equity Shares in Physical Form and disposal of Rights Equity Shares for non-receipt of demat account details in a timely manner” on pages 146 and 157, respectively.

Procedure for Application through the ASBA process

Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form, or have otherwise provided an authorisation to the SCSB, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

Self-Certified Syndicate Banks

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>. For details on Designated Branches of SCSBs collecting the Application Form, please refer the above-mentioned link.

Please note that subject to SCSBs complying with the requirements of SEBI Circular No. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, ASBA Applications may be submitted at the Designated Branches of the SCSBs, in case of Applications made through ASBA facility.

Procedure for Application through the web-based platform R-WAP.

Resident Investors, making an Application through R-WAP, shall make online payment using internet banking or UPI facility. Prior to making an Application, such Investors should enable the internet banking or UPI facility of their respective bank accounts and such Investors should ensure that the respective bank accounts have sufficient funds. Our Company, the Registrar and the Lead Manager shall not be responsible if the Application is not successfully submitted or rejected during Basis of Allotment on account of failure to be in compliance with the same. R-WAP facility will be operational from the Issue Opening Date. For risks associated with the R-WAP process, see "Risk Factors - The R-WAP payment mechanism facility proposed to be used for this issue may be exposed to risks, including risks associated with payment gateways" on page 21.

Set out below is the procedure followed using the R-WAP:

- (a) Resident Investors should visit R-WAP (accessible at <https://rights.cameoindia.com/wep>) and fill the online Application Form available on R-WAP in electronic mode. Please ensure to provide correct DP ID, Client ID or Folio number (only for resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date), PAN details and all other details sought for while submitting the online Application Form.
- (b) Non-resident Investors are not eligible to apply in this Issue through R-WAP.
- (c) The Investors should ensure that Application process is verified through the email / mobile number. Post due verification, the Investors can obtain details of their respective Rights Entitlements and apply in this Issue by filling-up the online Application Form which, among others, will require details of total number of Rights Equity Shares to be applied for. Please note that the Application Money will be determined based on number of Rights Equity Shares applied for.
- (d) The Investors who are Renouncees should select the category of 'Renouncee' at the application

- page of R-WAP and provide DP ID, Client ID, PAN and other required demographic details for validation. The Renouncees shall also be required to provide the required Application details, such as total number of Rights Equity Shares to be applied for.
- (e) Prior to making an Application, the Investors should enable the internet banking or UPI facility of their respective bank accounts and the Investors should ensure that the respective bank accounts have sufficient funds. If the funds available in the bank account are less than total amount payable on submission of online Application Form, such Application shall be rejected. Please note that R-WAP is a non-cash mode mechanism in accordance with the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020 read with SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020.
 - (f) The Investors shall make online payment using internet banking or UPI facility from their own bank account only. Such Application Money will be adjusted for either Allotment or refund. Applications made using payment from third party bank accounts will be rejected.
 - (g) Verification in respect of Application through Investors' own bank account, shall be done through the latest beneficiary position data of our Company containing Investor's bank account details, beneficiary account details provided to the depository, penny drop, cancelled cheque for joint holder verification and such other industry accepted and tested methods for online payment.
 - (h) The Application Money collected through Applications made on the R-WAP will be credited to the Escrow Account, opened by our Company with the Escrow Collection Bank.

Acceptance of this Issue

Investors may accept this Issue and apply for the Rights Equity Shares (i) submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts, or (ii) filling the online Application Form available on R-WAP and make online payment using their internet banking or UPI facility from their own bank account thereat.

Please note that on the Issue Closing Date, (i) Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges, and (ii) the R-WAP facility will be available until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.

Applications submitted to anyone other than the Designated Branches of the SCSB or not using R-WAP are liable to be rejected.

Investors can also make Application on plain paper under ASBA process mentioning all necessary details as mentioned under the section "Application on Plain Paper under ASBA process" on page 142.

Additional Rights Equity Shares

Investors are eligible to apply for additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Rights Equity Shares under applicable law and they have applied for all the Rights Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for additional Rights Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner prescribed under the section "- Basis of Allotment" on page 155.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for additional

Rights Equity Shares.

Non-resident Renouncees who are not Eligible Equity Shareholders cannot apply for additional Rights Equity Shares. Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date cannot renounce until the details of their demat account are provided to our Company or the Registrar and the dematerialized Rights Entitlements are transferred from suspense escrow demat account to the respective demat accounts of such Eligible Equity Shareholders within prescribed timelines. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Rights Equity Shares while submitting the Application through ASBA process or using the R-WAP.

Procedure for Renunciation of Rights Entitlements

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchanges; or (b) through an off-market transfer, during the Renunciation Period. The Investors should have the demat Rights Entitlements credited/lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements. The Lead Manager and our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

(a) On Market Renunciation

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchanges through a registered stock broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchanges under ISIN [•] subject to requisite approvals. The details for trading in Rights Entitlements will be as specified by the Stock Exchanges from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is 1 (one) Rights Entitlements.

The On-Market Renunciation shall take place only during the Renunciation Period for On-Market Renunciation, i.e., from [•] to [•] (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock brokers by quoting the ISIN [•] and indicating the details of

the Rights Entitlements they intend to sell. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On-Market Renunciation shall take place electronically on secondary market platform of BSE and NSE under automatic order matching mechanism and on 'T+2 rolling settlement basis', where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock broker will issue a contract note in accordance with the requirements of the Stock Exchanges and the SEBI.

(b) Off Market Renunciation

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only.

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date.

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN [•], the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants.

The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

Application on Plain Paper under ASBA process

An Eligible Equity Shareholder who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any address outside India.

Please note that the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

PLEASE NOTE THAT APPLICATION ON PLAIN PAPER CANNOT BE SUBMITTED THROUGH R-WAP.

The application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

1. Name of our Company, being WeP Solutions Limited;
2. Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
3. Registered Folio Number/DP and Client ID No.;
4. Number of Equity Shares held as on Record Date;
5. Allotment option – only dematerialised form;
6. Number of Rights Equity Shares entitled to;
7. Number of Rights Equity Shares applied for within the Rights Entitlements;
8. Number of additional Rights Equity Shares applied for, if any;
9. Total number of Rights Equity Shares applied for;
10. Total amount paid at the rate of ₹ 10 per Rights Equity Share;
11. Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB;
12. In case of NR Eligible Equity Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO Account such as the account number, name, address and branch of the SCSB with which the account is maintained;
13. Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Rights Equity Shares applied for pursuant to this Issue;
14. Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
15. Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB);
16. An approval obtained from the RBI, where a successful Application will result in the aggregate shareholding or total voting rights of the Eligible Equity Shareholder (along with persons acting in concert) in our Company, to be 26% or more of the post-issue paid-up equity share capital of our Company. Eligible Equity Shareholders must send a copy of the approval from any regulatory authority, as may be required, or obtained from the RBI to the Registrar by email at priya@cameoindia.com and
17. In addition, all such Eligible Equity Shareholders are deemed to have accepted the following:

*I/We understand that neither the Rights Entitlements nor the Rights Equity Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the “**US Securities Act**”), or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to, or for the account or benefit of, U.S. Persons (as defined in Regulation S under the US Securities Act (“**Regulations S**”) except for these purposes, U.S. persons include persons who would otherwise have been excluded from such term solely by virtue of Rule 902(K)(1)(VIII)(B) or Rule 902(K)(2)(I)), except pursuant to an exemption form, or in a transaction not subject to, the registration requirements of the US securities Act.*

*I/we understand the Rights Equity Shares referred to in this application are being offered and sold (i) in offshore transactions outside the United States to non-U.S. Persons in compliance with Regulation S to existing shareholders located in jurisdictions where such offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and (ii) in the United States to U.S. Persons who are “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act) (“**U.S. QIBs**”) and are also “qualified purchasers” (as defined in the Investment Company Act of 1940, as amended and the related rules (the “**Investment Company Act**”) pursuant to applicable exemptions under the US Securities Act and the Investment Company Act. I/we understand that the Company has not been and will not be registered under the Investment Company Act and I/we will not be entitled to the benefits of the Investment Company Act. I/we understand that the Company is relying on the exemption under Section 4(a)(2) of the US Securities Act and exception under Section 3(c)(7) of the Investment Company Act. I/we understand that the Issue is*

not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlements for sale in the United States, or as a solicitation therein of an offer to buy any of the said Rights Equity Shares or Rights Entitlements in the United States, except in each case to persons in the United States who are U.S.QIBs and are also Qualified Purchasers. I/we confirm that I am/we are (a)(i) not in the United States and eligible to subscribe for the Rights Equity Shares under applicable securities laws or (ii) a U.S. QIB and also a Qualified Purchaser in the United States, (b) complying with laws of jurisdictions applicable to such person in connection with the Issue, and (c) understand that neither the Company, nor the Registrar, the Lead Manager or any other person acting on behalf of the Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who the Company, the Registrar, the Lead Manager or any other person acting on behalf of the Company have reason to believe is in the United States (other than U.S. QIBs who are also Qualified Purchasers) or is outside of India and the United States and ineligible to participate in this Issue under the securities laws of their jurisdiction.

I/We will not offer, sell or otherwise transfer any of the Rights Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation. I/We satisfy, and each account for which I/we are acting satisfies, (a) all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of my/our residence, and (b) is eligible to subscribe and is subscribing for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of our jurisdiction of residence.

I/We understand and agree that the Rights Entitlements and Rights Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.

I/We acknowledge that we, the Lead Manager, its affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements."

In cases where multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company, the Lead Manager and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at <https://rights.cameoindia.com/wep>

Our Company, the Lead Manager and the Registrar shall not be responsible if the Applications are not uploaded by SCSB or funds are not blocked in the Investors' ASBA Accounts on or before the Issue Closing Date.

Mode of payment

All payments against the Application Forms shall be made only through (i) ASBA facility; or (ii) internet banking or UPI facility if applying through R-WAP. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility or internet banking or UPI facility if applying through R-WAP.

In case of Application through ASBA facility, the Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount,

equivalent to the amount payable on Application, in the Investor's ASBA Account. The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth in this Draft Letter of Offer.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, of the receipt of minimum subscription and pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account which shall be a separate bank account maintained by our Company, other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013.

The balance amount remaining after the finalisation of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

The Investors would be required to give instructions to the respective SCSBs to block the entire amount payable on their Application at the time of the submission of the Application Form.

The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth hereinafter.

For details of mode of payment in case of Application through R-WAP, see "Procedure for Application through the web-based platform R-WAP" on page 139.

Application by Eligible Equity Shareholders holding Equity Shares in physical form

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Rights Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those resident Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense escrow account opened by our Company.

In accordance with the SEBI Rights Issue Circulars, (a) the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date; or (b) the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date,

desirous of subscribing to Rights Equity Shares may also apply in this Issue during the Issue Period. Such Eligible Equity Shareholders must check the procedure for Application by and credit of Rights Equity Shares in "Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form" and "Credit and Transfer of Rights Equity Shares in case of Shareholders holding Equity Shares in Physical Form and disposal of Rights Equity Shares for non-receipt of demat account details in a timely manner" on pages 146 and 157, respectively.

To update respective email addresses/ mobile numbers in the records maintained by the Registrar or our Company, Eligible Equity Shareholders should visit <https://rights.cameoindia.com/wep>

Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, email address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by email, post, speed post, courier, or hand delivery so as to reach to the Registrar no later than two Working Days prior to the Issue Closing Date. The Eligible Equity Shareholders are encouraged to send the details by email due to lockdown and restrictions imposed due to current pandemic COVID-19; Alternatively the eligible equity shareholders can access the website of the Registrar <https://rights.cameoindia.com/wep> and enter the demat account details like DP Id, Client id, PAN etc. and upload the client master list in the weblink

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(a) The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;

(b) The Eligible Equity Shareholders can access the Application Form from:

- the website of the Registrar (<https://rights.cameoindia.com/wep>);
- our Company (www.wepsolutions.co.in);
- the Lead Manager at (<https://www.arihantcapital.com/>);
- the Stock Exchanges (at www.bseindia.com).

Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e. <https://rights.cameoindia.com/wep>) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (i.e. www.wepsolutions.co.in);

(c) The Eligible Equity Shareholders shall, on or before the Issue Closing Date, (i) submit the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts, or (ii) fill the online Application Form available on R-WAP and make online payment using their internet banking or UPI facility from their own bank account thereat. Further, (a) Resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date; or (b) resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date, and who have

not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, may also apply in this Issue during the Issue Period by filling the online Application Form available on R-WAP and make online payment using their internet banking or UPI facility from their own bank account thereat, on or before the Issue Closing Date. Such resident Eligible Equity Shareholders may be required to submit address, email address, contact details, copy of PAN, for verification of their Application. Further, such resident Eligible Equity Shareholder can:

- i) apply for its Rights Equity Shares to the full extent of its Rights Entitlements;
- ii) apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); and
- iii) apply for its Rights Equity Shares to the full extent of its Rights Entitlements and apply for additional Rights Equity Shares.

PLEASE NOTE THAT NON-RESIDENT ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.

For details of credit of the Rights Equity Shares to such resident Eligible Equity Shareholders, see “Credit and Transfer of Rights Equity Shares in case of Shareholders holding Equity Shares in Physical Form and disposal of Rights Equity Shares for non-receipt of demat account details in a timely manner” on page 157.

Allotment of the Rights Equity Shares in Dematerialized Form

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH COMPANY’S EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE. FOR DETAILS, SEE “ALLOTMENT ADVICE OR REFUND/UNBLOCKING OF ASBA ACCOUNTS” ON PAGE 156.

General instructions for Investors

- (a) Please read this Draft Letter of Offer carefully to understand the Application process and applicable settlement process.
- (b) In accordance with the SEBI Rights Issue Circulars, (a) the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date; or (b) the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, desirous of subscribing to Rights Equity Shares may also apply in this Issue during the Issue Period. Such Eligible Equity Shareholders must check the procedure for Application by and credit of Rights Equity Shares in “Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form” and “Credit and Transfer of Rights Equity Shares in case of Shareholders holding Equity Shares in Physical Form and disposal of Rights Equity Shares for non-receipt of demat account details in a timely manner” on pages 146 and 157, respectively.
- (c) Please read the instructions on the Application Form sent to you.
- (d) The Application Form can be used by both the Eligible Equity Shareholders and the Renouncees.
- (e) Application should be made only through the ASBA facility or using R-WAP.
- (f) Application should be complete in all respects. The Application Form found incomplete with

regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.

- (g) In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section "Application on Plain Paper under ASBA process" on page 142.
- (h) In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use either the ASBA process or the optional mechanism instituted only for resident Investors in this Issue, i.e., R-WAP. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA or using the R-WAP.
- (i) An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application.
- (j) In case of Application through R-WAP, the Investors should enable the internet banking or UPI facility of their respective bank accounts.
- (k) Applications should be (i) submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts, or (ii) filled on the R-WAP. Please note that on the Issue Closing Date, (i) Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges, and (ii) the R-WAP facility will be available until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.
- (l) Applications should not be submitted to the Bankers to the Issue or Escrow Collection Bank (assuming that such Escrow Collection Bank is not an SCSB), our Company or the Registrar or the Lead Manager.
- (m) In case of Application through ASBA facility, Investors are required to provide necessary details, including details of the ASBA Account, authorization to the SCSB to block an amount equivalent to the Application Money in the ASBA Account mentioned in the Application Form.
- (n) All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be "suspended for credit" and no Allotment and credit of Rights Equity Shares pursuant to this Issue shall be made into the accounts of such Investors.
- (o) In case of Application through ASBA facility, all payments will be made only by blocking the amount in the ASBA Account. Furthermore, in case of Applications submitted using the R-WAP facility, payments shall be made using internet banking or UPI facility. Cash payment or payment by cheque or demand draft or pay order or NEFT or RTGS or through any other mode is not acceptable for application through ASBA process. In case payment is made in contravention of this, the Application will be deemed invalid and the Application Money will be refunded and no interest will be paid thereon.
- (p) For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB.
- (q) In case of joint holders and physical Applications through ASBA process, all joint holders must

- sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant.
- (r) All communication in connection with Application for the Rights Equity Shares, including any change in address of the Eligible Equity Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, folio numbers/DP ID and Client ID and Application Form number, as applicable. In case of any change in address of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in physical form.
 - (s) Only persons (i) in the United States to U.S. Persons, who are U.S. QIBs and are also Qualified Purchasers and (b) outside the United States to non-U.S. Persons in offshore transactions in compliance with Regulation S to existing shareholders located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions.
 - (t) Please note that subject to SCSBs complying with the requirements of SEBI Circular No. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, Applications made through ASBA facility may be submitted at the Designated Branches of the SCSBs. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility.
 - (u) In terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making applications by banks on their own account using ASBA facility, SCSBs should have a separate account in own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public/ rights issues and clear demarcated funds should be available in such account for ASBA applications.
 - (v) Investors are required to ensure that the number of Rights Equity Shares applied for by them do not exceed the prescribed limits under the applicable law.
 - (w) Applicants must submit a copy of the approval obtained from any regulatory authority, as may be required, or obtained from the RBI with the Application and send a copy of such approval to the Registrar by email to priya@cameoindia.com, in case the Application and the resultant Rights Equity Shares will result in the aggregate shareholding or total voting rights of the Applicant (along with persons acting in concert) in our Company, to be in excess of 26% of the post-issue paid-up equity share capital of our Company.
 - (x) An Applicant being an OCB is required not to be under the adverse notice of the RBI and must submit approval from RBI for applying in this Issue.

Do's:

- (a) Ensure that the Application Form and necessary details are filled in.
- (b) Except for Application submitted on behalf of the Central or the State Government, residents of Sikkim and the officials appointed by the courts, each Applicant should mention their PAN allotted under the Income-tax Act.
- (c) Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation ("Demographic Details") are updated, true and correct, in all respects.
- (d) Investors should provide correct DP ID and client ID/ folio number while submitting the Application. Such DP ID and Client ID/ folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected.

Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, the Lead Manager, SCSBs or the Registrar will not be liable for any such rejections.

Don'ts:

- (a) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
- (b) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- (c) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
- (d) Do not pay the Application Money in cash, by money order, pay order or postal order.
- (e) Do not submit multiple Applications.

Do's for Investors applying through ASBA:

- (a) Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as the Rights Equity Shares will be Allotted in the dematerialized form only.
- (b) Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.
- (c) Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including additional Rights Equity Shares) applied for} X {Application Money of Rights Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB.
- (d) Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application and have signed the same.
- (e) Ensure that you have a bank account with an SCSB providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.
- (f) Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form in physical form or plain paper Application.
- (g) Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter.

Do's for Investors applying through R-WAP :

- (a) Ensure that the details of the correct bank account have been provided while making payment along with submission of the Application.
- (b) Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including additional Rights Equity Shares) applied for} X {Issue price of Rights Equity Shares}) available in the bank account through which payment is made using the R-WAP .
- (c) Ensure that you make the payment towards your application through your bank account only and not use any third-party bank account for making the payment
- (d) Ensure that you receive a confirmation email on successful transfer of funds.
- (e) Ensure you have filled in correct details of PAN, folio number, DP ID and Client ID, as applicable, and all such other details as may be required.
- (f) Ensure that you receive an acknowledgement from the R-WAP for your submission of the Application.

Don'ts for Investors applying through ASBA:

- (a) Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or *vice versa*.
- (b) Do not send your physical Application to the Lead Manager, the Registrar, the Escrow Collection Bank (assuming that such Escrow Collection Bank is not an SCSB), a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.
- (c) Do not instruct the SCSBs to unblock the funds blocked under the ASBA process.

Don'ts for Investors applying through R-WAP:

- (a) Do not apply from bank account of third parties.
- (b) Do not apply if you are a non-resident Investor.
- (c) Do not apply from non-resident account.
- (d) Do not apply if you are not a retail individual investor

Grounds for Technical Rejection

Applications made in this Issue are liable to be rejected on the following grounds:

- (a) DP ID and Client ID mentioned in Application not matching with the DP ID and Client ID records available with the Registrar.
- (b) Sending an Application to the Lead Manager, Registrar, Escrow Collection Banks (assuming that such Escrow Collection Bank is not a SCSB), to a branch of a SCSB which is not a Designated Branch of the SCSB or our Company.
- (c) Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.
- (d) Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders.
- (e) Account holder not signing the Application or declaration mentioned therein.
- (f) Submission of more than one application Form for Rights Entitlements available in a particular demat account.
- (g) Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application.
- (h) Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).
- (i) Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the demographic details provided by the Depositories.
- (j) Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.
- (k) Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and this Draft Letter of Offer.
- (l) Physical Application Forms not duly signed by the sole or joint Investors.
- (m) Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand drafts.
- (n) If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements.
- (o) Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States (unless the Application Form

226 is submitted by a U.S. QIB who is also a Qualified Purchaser in the United States) or other jurisdictions where the offer and sale of the Rights Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is (a) not in the United States and eligible to subscribe for the Rights Equity Shares under applicable securities laws or (b) a U.S. QIB who is also a Qualified Purchaser in the United States, and in each case such person is complying with laws of jurisdictions applicable to such person in connection with this Issue; or (iii) where either a registered Indian address is not provided or where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to issue or allot any Rights Equity Shares in respect of any such Application Form.

- (p) Applications which have evidence of being executed or made in contravention of applicable securities laws.
- (q) Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar.

Applications under the R-WAP process are liable to be rejected on the following grounds (in addition to above applicable grounds):

- (a) Applications by non-resident Investors.
- (b) Applications by non-retail investors
- (c) Payment from third party bank accounts.

Depository account and bank details for Investors holding Equity Shares in demat accounts and applying in this Issue

IT IS MANDATORY FOR ALL THE INVESTORS APPLYING UNDER THIS ISSUE TO APPLY THROUGH THE ASBA PROCESS OR THROUGH THE R-WAP PROCESS (AVAILABLE ONLY FOR RESIDENT INVESTORS), TO RECEIVE THEIR RIGHTS EQUITY SHARES IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT/CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY THE INVESTOR AS ON THE RECORD DATE. ALL INVESTORS APPLYING UNDER THIS ISSUE SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DP ID AND BENEFICIARY ACCOUNT NUMBER/FOLIO NUMBER IN THE APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE APPLICATION FORM OR PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.

Investors applying under this Issue should note that on the basis of name of the Investors, Depository Participant's name and identification number and beneficiary account number provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Hence, Investors applying under this Issue should carefully fill in their Depository Account details in the Application.

These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants.

By signing the Application Forms, the Investors would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

The Allotment advice and the email intimating unblocking of ASBA Account or refund (if any) would be emailed to the address of the Investor as per the email address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Equity Shares are not Allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs, Registrar or the Lead Manager shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) the DP ID, and (c) the beneficiary account number, then such Application Forms are liable to be rejected.

Modes of Payment

All payments against the Application Forms shall be made only through ASBA facility or internet banking or UPI facility if applying through R-WAP. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility or internet banking or UPI facility if applying through R-WAP.

Mode of payment for Resident Investors

All payments on the Application Forms shall be made only through ASBA facility or internet banking or UPI facility if applying through R-WAP. Applicants are requested to strictly adhere to these instructions.

Mode of payment for Non-Resident Investors

As regards the Application by non-resident Investors, the following conditions shall apply:

1. Individual non-resident Indian Applicants who are permitted to subscribe to Rights Equity Shares by applicable local securities laws can obtain Application Forms on the websites of the Registrar, our Company and the Lead Manager.

Note: In case of non-resident Eligible Equity Shareholders, the Abridged Letter of Offer and the Application Form and other applicable Issue materials shall be sent to their email addresses if they have provided their Indian address to our Company. This Draft Letter of Offer will be provided, only through email, by the Registrar on behalf of our Company or the Lead Manager to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard.

2. Application Forms will not be accepted from non-resident Investors in any jurisdiction where the offer or sale of the Rights Entitlements and Rights Equity Shares may be restricted by applicable securities laws.
3. Payment by non-residents must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by the RBI.

Notes:

1. In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Rights Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income-tax Act.
2. In case Rights Equity Shares are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights Equity Shares cannot be remitted outside India.
3. In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by the RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.
4. Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Rights Equity Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment.
5. In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account.
6. Non-resident Renouncees who are not Eligible Equity Shareholders must submit regulatory approval for applying for additional Rights Equity Shares.

Multiple Applications

In case where multiple Applications are made using same demat account, such Applications shall be liable to be rejected. A separate Application can be made in respect of Rights Entitlements in each demat account of the Investors and such Applications shall not be treated as multiple applications. Similarly, a separate Application can be made against Equity Shares held in dematerialized form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, see “- Procedure for Applications by Mutual Funds” on page 162.

In cases where multiple Application Forms are submitted, including cases where an Investor submits Application Forms along with a plain paper Application or multiple plain paper Applications, such Applications shall be treated as multiple applications and are liable to be rejected, other than multiple applications submitted by any of our Promoter or members of Promoter Group to meet the minimum subscription requirements applicable to this Issue as described in “Subscription to the Issue by our Promoter and Promoter Group” on page 12.

Last date for Application

The last date for submission of the duly filled in the Application Form or a plain paper Application is, [•], i.e., Issue Closing Date. Our Board or any committee thereof may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Application Form is not submitted with an SCSB, uploaded with the Stock Exchanges and the Application Money is not blocked with the SCSB or if the Application Form is not accepted at the R-WAP, on or before the Issue Closing Date or such date as may be extended by our Board or any committee thereof, the invitation to offer contained in this Draft Letter of Offer shall be deemed to have been declined and our Board or any committee thereof shall be at liberty to dispose of the Rights Equity Shares hereby offered, as provided under the section, “- Basis of Allotment” on page 155.

Please note that on the Issue Closing Date, (i) Applications through ASBA process will be uploaded

until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges, and (ii) the R-WAP facility will be available until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.

Withdrawal of Application

An Investor who has applied in this Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted or sending the email withdrawal request to Registrars to the Issue in case of Application through R-WAP facility. However, no Investor, whether applying through ASBA facility or R-WAP facility, may withdraw their Application post the Issue Closing Date.

Issue Schedule

Last Date for credit of Rights Entitlements	[•]
Issue Opening Date	[•]
Last Date for On Market Renunciation	[•]
Issue Closing Date	[•]
Finalisation of Basis of Allotment (on or about)	[•]
Date of Allotment (on or about)	[•]
Date of credit (on or about)	[•]
Date of listing (on or about)	[•]

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, i.e. [•] to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date.

For details, see “Issue Schedule” on page 155.

Our Board may however decide to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

Basis of Allotment

Subject to the provisions contained in this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board will proceed to Allot the Rights Equity Shares in the following order of priority:

- Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Rights Equity Shares either in full or in part and also to the Renouncee (s) who has or have applied for Rights Equity Shares renounced in their favour, in full or in part.
- Eligible Equity Shareholders who get zero entitlement on account of ignoring the fractional entitlement, would be given preference in allotment of one additional Rights Equity Share each if they apply for additional Rights Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Rights Equity Shares after allotment under (a) above. If number of

Rights Equity Shares required for Allotment under this head are more than the number of Rights Equity Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.

- (c) Allotment to the Eligible Equity Shareholders who having applied for all the Rights Equity Shares offered to them as part of this Issue, have also applied for additional Rights Equity Shares. The Allotment of such additional Rights Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Rights Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Rights Equity Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- (d) Allotment to Renouncees who having applied for all the Rights Equity Shares renounced in their favour, have applied for additional Rights Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Rights Equity Shares will be made at the sole discretion of our Board or any committee of our Board but in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- (e) Allotment to any other person, that our Board may deem fit, provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board in this regard shall be final and binding.

After taking into account Allotment to be made under (a) to (d) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the Investors who have been allocated Rights Equity Shares in this Issue, along with:

- 2. The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for this Issue, for each successful Application;
- 3. The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
- 4. The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

For Applications through R-WAP, instruction will be sent to Escrow Collection Bank with list of Allottees and corresponding amount to be transferred to the Allotment Account. Further, the list of Applicants eligible for refund with corresponding amount will also be shared with Escrow Collection Bank to refund such Applicants.

Allotment Advice or Refund/ Unblocking of ASBA Accounts

Our Company will email Allotment advice, refund intimations (including in respect of Applications made through R-WAP facility) or demat credit of securities and/or letters of regret, along with crediting the Allotted Rights Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or in a demat suspense account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form on the Allotment Date) or unblocking the funds in the respective ASBA Accounts, if any, within a period of 15 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at 15% p.a. and such other rate as specified under applicable law from the expiry of such 15 days' period.

In case of Applications through R-WAP, refunds, if any, will be made to the same bank account from which Application Money was received. Therefore, the Investors should ensure that such bank accounts remain valid and active.

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment advice shall be sent, through email, to the email address provided to our Company or at the address recorded with the Depository.

In the case of non-resident Investors who remit their Application Money from funds held in the NRE or the FCNR Accounts, refunds and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

Credit and Transfer of Rights Equity Shares in case of Shareholders holding Equity Shares in Physical Form and treatment of such Rights Equity Shares for non-receipt of demat account details in a timely manner

In case of allotment to resident Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date, have paid the Application Money and have not provided the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, the following procedure shall be adhered to:

- (a) the Registrar shall send Allotment advice and credit the Rights Equity Shares to a demat suspense account to be opened by our Company;
- (b) within 6 Months from the Allotment Date, such Eligible Equity Shareholders shall be required to send a communication to our Company or the Registrar containing the name(s), Indian address, email address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by post, speed post, courier, electronic mail or hand delivery;
- (c) Our Company (with the assistance of the Registrar) shall, after verification of the details of such demat account by the Registrar, transfer the Rights Equity Shares from the demat suspense account to the demat accounts of such Eligible Equity Shareholders;
- (d) In case of non-receipt of details of demat account as per (b) above, our Company shall conduct a sale of such Rights Equity Shares lying in the demat suspense account on the floor of the Stock Exchanges at the prevailing market price and remit the proceeds of such sale (net of brokerage, applicable taxes and administrative and incidental charges) to the bank account mentioned by the resident Eligible Equity Shareholders in their respective Application Forms and from which the payment for Application Money was made. In case such bank accounts cannot be identified due to any reason or bounce back from such account, our Company may use payment mechanisms such as cheques, demand drafts, etc. to such Eligible Equity Shareholders to remit such proceeds.

Such Rights Equity Shares may be sold over such period of time as may be required, depending on liquidity and other market conditions on the floor of the Stock Exchanges after the expiry of the period mentioned under (b) above. Therefore, such proceeds (net of brokerage, applicable taxes and administrative and incidental charges) by way of sale of such Rights Equity Shares may be higher or lower than the amount paid by such Eligible Equity Shareholders at the time of subscribing such shares;

- (e) Our Company shall send reminder notices seeking the requisite details of demat account prior to expiry of time period under (b) above, in due course, to such resident Eligible Equity Shareholders who have not provided the requisite details. After expiry of time period under (b) above, our Company or the Registrar shall not accept any requests by such Eligible Equity Shareholders for updation of details of demat account under any circumstances, including in case of failure to sell such Rights Equity Shares;

- (f) After the consummation of the sale of Rights Equity Shares on the floor of the Stock Exchanges, our Company shall send an intimation to the respective Eligible Equity Shareholders, giving details of such sale, including the sale price and break-up of net brokerage, taxes and administrative and incidental charges; and
- (g) If at the time of transfer of sale proceeds for default cases, the bank account from which Application Money was received is closed or non-operational, such sale proceeds will be transferred to IEPF in accordance with practice on Equity Shares and as per applicable law.
- (h) In case the details of demat account provided by the Eligible Equity Shareholders are not of his/her own demat account, the Rights Equity Shares shall be subject to sale process specified under (d) above.

Notes:

1. Our Company will open a separate demat suspense account to credit the Rights Equity Shares in respect of such Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date and have not provided details of their demat accounts to our Company or the Registrar, at least two Working Days prior to the Issue Closing Date. Our Company, with the assistance of the Registrar, will initiate transfer of such Rights Equity Shares from the demat suspense account to the demat account of such Eligible Equity Shareholders, upon receipt of details of demat accounts from the Eligible Equity Shareholders.
2. The Eligible Equity Shareholders cannot trade in such Rights Equity Shares until the receipt of demat account details and transfer to such Eligible Equity Shareholders' respective account.
3. There will be no voting rights against such Rights Equity Shares kept in the demat suspense account. However, the respective Eligible Equity Shareholders will be eligible to receive dividends, if declared, in respect of such Rights Equity Shares on the Rights Equity Shares, as permitted under applicable laws.
4. Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of buying or selling of Rights Equity Shares or Rights Entitlements. The Eligible Equity Shareholders should obtain their own independent tax and legal advice and may not rely on our Company or any of their affiliates including any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates when evaluating the tax consequences in relation to the Rights Equity Shares (including but not limited to any applicable short-term capital gains tax, or any other applicable taxes or charges in case of any gains made by such Eligible Equity Shareholders from the sale of such Rights Equity Shares).
5. **The Lead Manager, our Company, its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar shall not be liable in any manner and not be responsible for acts, mistakes, errors, omissions and commissions, etc., in relation to any delay in furnishing details of demat account by such Eligible Equity Shareholders, any resultant loss to the Eligible Equity Shareholders due to sale of the Rights Equity Shares, if such details are not correct, demat account is frozen or not active or in case of non-availability of details of bank account of such Eligible Equity Shareholders, profit or loss to such Eligible Equity Shareholders due to aforesaid process, tax deductions or other costs charged by our Company, or on account of aforesaid process in any manner.**

Payment of Refund*Mode of making refunds*

The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes. Please note that payment of refund in case of Applications made through R-WAP, shall be through modes under (b) to (g) below :

- (a) Unblocking amounts blocked using ASBA facility.
- (b) NACH – National Automated Clearing House is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including MICR code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.
- (c) National Electronic Fund Transfer (“NEFT”) – Payment of refund shall be undertaken through NEFT wherever the Investors’ bank has been assigned the Indian Financial System Code (“IFSC Code”), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine digit MICR number and their bank account number with the Registrar to our Company or with the Depository Participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.
- (d) Direct Credit – Investors having bank accounts with the Bankers to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.
- (e) RTGS – If the refund amount exceeds ₹ 2,00,000, the Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event the same is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the refund bank(s) for the same would be borne by our Company. Charges, if any, levied by the Investor’s bank receiving the credit would be borne by the Investor.
- (f) For all other Investors, the refund orders will be dispatched through speed post or registered post subject to applicable laws. Such refunds will be made by cheques, pay orders or demand drafts drawn in favor of the sole/first Investor and payable at par.
- (g) Credit of refunds to Investors in any other electronic manner, permissible by SEBI from time to time.

In case of Application through R-WAP, refunds, if any, will be made to the same bank account from which Application Money was received. Therefore, the Investors should ensure that such bank accounts remain valid and active.

Refund payment to non-residents

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

Allotment Advice or Demat Credit of Securities

The demat credit of securities to the respective beneficiary accounts or the demat suspense account (pending receipt of demat account details for Eligible Equity Shareholders holding Equity Shares in physical form/ with IEPF authority/ in suspense, etc.) will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

Receipt of the Rights Equity Shares in Dematerialized Form

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE, OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE, OR (C) DEMAT SUSPENSE ACCOUNT PENDING RECEIPT OF DEMAT ACCOUNT DETAILS FOR RESIDENT ELIGIBLE EQUITY SHAREHOLDERS HOLDING EQUITY SHARES IN PHYSICAL FORM/ WHERE THE CREDIT OF THE RIGHTS ENTITLEMENTS RETURNED/REVERSED/FAILED.

Investors shall be Allotted the Rights Equity Shares in dematerialized (electronic) form. Our Company has signed agreement with NSDL and CDSL which enables the Investors to hold and trade in the securities issued by our Company in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates.

INVESTORS MAY PLEASE NOTE THAT THE EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGES ONLY IN DEMATERIALIZED FORM.

The procedure for availing the facility for Allotment of Rights Equity Shares in this Issue in the dematerialized form is as under:

1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.
2. It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.
3. The responsibility for correctness of information filled in the Application Form *vis-a-vis* such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Application Form should be the same as registered with the Investor's depository participant.
4. If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Rights Equity Shares and the Application Form will be rejected.
5. The Rights Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Equity Shareholders holding Equity Shares in physical form/ with IEPF authority/ in suspense, *etc.*). Allotment advice, refund order (if any) would be sent directly to the Applicant by email and, if the printing is feasible, through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account.
6. Non-transferable Allotment advice/ refund intimation will be directly sent to the Investors by the Registrar, by email and, if the printing is feasible, through physical dispatch.
7. Renouncees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in this Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.

Resident Eligible Equity Shareholders, who hold Equity Shares in physical form and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, desirous of subscribing to Rights Equity Shares in this Issue must check the procedure for application by and credit of Rights Equity Shares to such Eligible Equity Shareholders in “- Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form” and “- Credit and Transfer of Rights Equity Shares in case of Shareholders holding Equity Shares in Physical Form” on pages 146 and 157, respectively.

Procedure for Applications by FPIs

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, *i.e.*, the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post-Offer Equity Share capital. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will also be required to comply with applicable reporting requirements. Further, the aggregate limit of all FPIs investments, with effect from April 1, 2020, is up to the sectoral cap applicable to the sector in which our Company operates (*i.e.*, 100%).

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. The FPIs who wish to participate in the Offer are advised to use the Application Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with ‘know your client’ norms; and (iii) compliance with other conditions as may be prescribed by SEBI. An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions:

- (a) such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and
- (b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre – approved by the FPI.

Procedure for Applications by AIFs, FVCIs and VCFs

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue. Venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility or using R-WAP (available only for residents). Otherwise, applications of such AIFs are liable for rejection.

Procedure for Applications by NRIs

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in this Issue under applicable securities laws.

As per the FEMA Rules, an NRI or Overseas Citizen of India (“OCI”) may purchase or sell capital instruments of a listed Indian company on repatriation basis, on a recognised stock exchange in India, subject to the conditions, *inter alia*, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together will not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants. The aggregate ceiling of 10% may be raised to 24%, if a special resolution to that effect is passed by the general body of the Indian company.

Procedure for Applications by Mutual Funds

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

Procedure for Applications by Systemically Important Non-Banking Financial Companies (“NBFC-SI”)

In case of an application made by NBFC-SI registered with the RBI, (a) the certificate of registration issued by the RBI under Section 45IA of the RBI Act, 1934 and (b) net worth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

Impersonation

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”

The liability prescribed under Section 447 of the Companies Act for fraud involving an amount of at least ₹ 1 million or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In case the fraud involves (i) an amount which is less than ₹ 1 million or 1% of the turnover of the company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹ 5 million or with both.

Payment by Stockinvest

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stockinvest scheme has been withdrawn. Hence, payment through stockinvest would not be accepted in this Issue.

Disposal of Application and Application Money

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branch of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form and the R-WAP platform would generate an electronic acknowledgment to the Eligible Equity Shareholders upon submission of the Application.

Our Board reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts, in case of Applications through ASBA or refunded to the Investors in the same bank account through which Application Money was received, in case of an application using the R-WAP facility. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Rights Equity Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received / ASBA Accounts of the Investor within a period of 15 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.

Utilisation of Issue Proceeds

Our Board declares that:

- (a) All monies received out of this Issue shall be transferred to a separate bank account;
- (b) Details of all monies utilized out of this Issue referred to under (A) above shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an

appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and

- (c) Details of all unutilized monies out of this Issue referred to under (A) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

Undertakings by our Company

Our Company undertakes the following:

1. The complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily.
2. All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges where the Equity Shares are to be listed will be taken by our Board within seven Working Days of finalization of Basis of Allotment.
3. The funds required for making refunds / unblocking to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company.
4. Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Investor within 15 days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.
5. In case of refund / unblocking of the Application Money for unsuccessful Applicants or part of the Application Money in case of proportionate Allotment, a suitable communication shall be sent to the Applicants.
6. Adequate arrangements shall be made to collect all ASBA Applications and record all Applications made under the RWAP process.
7. Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.

Minimum Subscription

As the Object of the Issue does not involve financing of capital expenditure and our Promoters, together with other persons in the Promoter Group have vide letters dated February 11, 2021 confirmed their intention to subscribe to the full extent of their aggregate rights entitlement in the Issue and not renounce their Rights Entitlements except to the extent of renunciation within the Promoter Group, the minimum subscription criteria mentioned under the SEBI ICDR Regulations will not be applicable to the Issue.

Important

1. Please read this Draft Letter of Offer carefully before taking any action. The instructions contained in the Application Form, Abridged Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of this Draft Letter of Offer and must be carefully followed; otherwise the Application is liable to be rejected.
2. All enquiries in connection with this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or Application Form must be addressed (quoting the Registered Folio Number or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed “**WEP SOLUTIONS LIMITED - Rights Issue**” on the envelope and postmarked in India or in the email) to the Registrar at the following address:

Cameo Corporate Services Limited

Subrananian Building, No.1,
Club House Road, Near Spenser Signal
On Anna Salai, Chennai, Tamil Nadu-600002

Telephone no.: +91 044 40020700

E-mail: priya@cameoindia.com

Website: www.cameoindia.com

Investor grievance e-mail: cameo@cameoindia.com

Contact Person: Ms. Sreepriya

SEBI Registration No.: INR000003753

CIN: U67120TN1998PLC041613

3. In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar <https://rights.cameoindia.com/wep>. Further, helpline numbers provided by the Registrar for guidance on the Application process and resolution of difficulties are: +91 044 40020700 / 7338808559

This Issue will remain open for a minimum 15 days. However, our Board will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Closing Date).

Restrictions on Foreign Ownership of Indian Securities

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, of the Government of India, prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment ("FDI") and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion) ("DPIIT"), Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017, has notified the specific ministries handling relevant sectors.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular of 2017 ("FDI Circular 2017"), which, with effect from August 28, 2017, consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on August 28, 2017. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Circular 2017 will be valid until the DPIIT issues an updated circular.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict between FEMA and such policy pronouncements, FEMA prevails. The Consolidated FDI Policy, issued by the DPIIT, consolidates the policy framework in place as on August 27, 2017, and supersedes all

previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on August 27, 2017. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore the Consolidated FDI Policy will be valid until the DPIIT issues an updated circular.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company falls under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non- resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

Please also note that pursuant to Circular No. 14 dated September 16, 2003 issued by the RBI, Overseas Corporate Bodies ("OCBs") have been derecognized as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of the RBI and to obtain prior approval from RBI for applying in this Issue. The above information is given for the benefit of the Applicants / Investors. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

SECTION - X

OTHER INFORMATION**MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than two years prior to the date of this Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of these contracts and also the documents for inspection referred to hereunder, may be inspected at our Registered Office between 10 a.m. and 5 p.m. on all working days from the date of the Letter of Offer until the Issue Closing Date.

A. Material Contracts for the Issue

1. Issue Agreement dated February 9, 2021 between our Company and the Lead Manager
2. Registrar Agreement dated December 4, 2020 between our Company and the Registrar to the Issue
3. Escrow Agreement dated February 10, 2021 among our Company, the Lead Manager, the Registrar to the Issue and the Banker to the Issue

B. Material Documents

1. Certified copies of the updated Memorandum of Association and Articles of Association.
2. Certificate of incorporation of our Company and certificates of incorporation consequent upon change in name of our Company.
3. Resolution of our Board dated November 6, 2020 in relation to this Issue and other related matters.
4. Resolution of our Rights Committee dated November 20, 2020 in relation to this Issue and other related matters.
5. Consents of our Directors, Company Secretary and Compliance Officer, Statutory Auditors, the Lead Manager, Legal Advisor to the Issue and the Registrar to the Issue for inclusion of their names in this Letter of Offer to act in their respective capacities.
6. Consent letter dated February 5, 2021 issued by N.M. Raiji & Co, Chartered Accountants to include their name as "expert" in this Letter of Offer.
7. The reports of the Statutory Auditors, in relation to the Audited Financial Statements and Limited Review Financial Information dated June 15, 2020 and January 29, 2021, respectively.
8. Annual Reports of our Company for Fiscal 2020, 2019, 2018, 2017 and 2016.
9. Statement of Tax Benefits dated February 5, 2021 from N.M. Raiji & Co., Chartered Accountants
10. In principle listing approval dated [●] issued by BSE



SECTION - XI

DECLARATION

We certify that no statement made in this Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act and the rules made thereunder or regulations issued thereunder, as the case maybe. We further certify that, all the legal requirements connected with the said Issue as also the regulations, rules, guidelines, instructions, etc. issued by the SEBI, Government of India and any other competent authority in this behalf have been duly complied with.

We hereby certify that all disclosures made in this Letter of Offer are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY

	
Ram N Agarwal Managing Director	H V Gowthama Independent Director
	
Shankar Jaganathan Independent Director	Mythily Ramesh Independent Director
	
G H Visweswara Independent Director	Ayyagari Lakshmanarao Non-Executive Director
	
Sandeep Kumar Goyal Wholtime Director & Chief Financial Officer	

Place : Bengaluru

Date : 16th February 2021