

**N. M. RAIJI & CO.**  
*Chartered Accountants*  
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## **Independent Auditor's Report**

### **To the Board of Directors of WEP Solutions Limited**

We have audited the financial results (the 'Statement') of WEP Solutions Limited ("the Company") for the quarter ended June 30, 2015 attached herewith, being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreement, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us.

### **Management's Responsibility**

The Company's Management is responsible for the preparation of the Statement as per the requirement of clause 41 on the basis of the related interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standards (AS) 25, Interim Financial Reporting, specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the interim financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the interim financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the interim financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness

of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the interim financial statements.

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, this statement:

- i. Is prepared and presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
- ii. gives a true and fair view in conformity with the accounting principles generally accepted in India of the net profit and other financial information of the Company for the quarter and three months ended June 30, 2015.

**Report on Legal and Other Regulatory Requirements**

We also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the Company in terms of Clause 35 of the Listing Agreement and found the same to be correct.

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



**Vinay D. Balse  
Partner  
Membership No.: 39434**

**Place: Mumbai  
Date: July 25, 2015**

# WeP Solutions Limited

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



## Audited Statement of Financial Results for the Quarter Ended June 30, 2015

| PART I   | (Rs. In Lakhs except per share data) |                         |                         |                         |                         |
|--|--------------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
|  | Particulars                          | Quarter Ended           |                         |                         | Year ended              |
|  |                                      | Jun 30, 2015<br>Audited | Mar 31, 2015<br>Audited | Jun 30, 2014<br>Audited | Mar 31, 2015<br>Audited |
| <b>1. Income from Operations</b>   |                                      |                         |                         |                         |                         |
| a. Net Sales/Income from Operations  | 2,114.45                             | 3,048.62                | 2,345.97                | 10,415.29               |                         |
| b. Other Operating Income  | 1.48                                 | (4.78)                  | 6.24                    | 2.37                    |                         |
| <b>Total Income from Operations(net)</b>   | <b>2,115.93</b>                      | <b>3,043.84</b>         | <b>2,352.21</b>         | <b>10,417.66</b>        |                         |
| <b>2. Expenses</b>   |                                      |                         |                         |                         |                         |
| a. Cost of Material consumed (net of capitalisation)   | 849.78                               | 1,016.15                | 671.78                  | 3,288.73                |                         |
| b. Purchases of stock-in-trade (net of capitalisation)   | 267.94                               | 729.50                  | 640.02                  | 2,906.16                |                         |
| c. Changes in inventories of finished goods, work in progress and stock in trade                       | 108.26                               | 66.86                   | 23.87                   | (129.41)                |                         |
| d. Employees benefits expense  | 193.45                               | 176.88                  | 258.63                  | 913.66                  |                         |
| e. Depreciation and amortisation expense   | 155.36                               | 154.64                  | 173.73                  | 650.37                  |                         |
| f. Other expenses  | 590.14                               | 600.89                  | 592.26                  | 2,440.87                |                         |
| <b>Total Expenses</b>  | <b>2,164.93</b>                      | <b>2,744.92</b>         | <b>2,360.29</b>         | <b>10,070.38</b>        |                         |
| <b>3. Profit/(Loss) from operations before other Income, finance costs and exceptional items (1-2)</b> | <b>(49.00)</b>                       | <b>298.92</b>           | <b>(8.08)</b>           | <b>347.28</b>           |                         |
| 4. Other Income  | 3.43                                 | 41.00                   | 5.84                    | 53.22                   |                         |
| <b>5. Profit/(Loss) before finance costs and exceptional items (3+4)</b>                               | <b>(45.57)</b>                       | <b>339.92</b>           | <b>(2.24)</b>           | <b>400.50</b>           |                         |
| 6. Finance Costs   | 43.74                                | 49.04                   | 39.98                   | 176.70                  |                         |
| <b>7. Profit/(Loss) after finance costs but before exceptional items (5-6)</b>                         | <b>(89.31)</b>                       | <b>290.88</b>           | <b>(42.22)</b>          | <b>223.80</b>           |                         |
| 8. Exceptional items   | -                                    | -                       | -                       | -                       |                         |
| <b>9. Profit/(Loss) before tax (7-8)</b>   | <b>(89.31)</b>                       | <b>290.88</b>           | <b>(42.22)</b>          | <b>223.80</b>           |                         |
| 10. Tax expense  | (28.98)                              | 94.48                   | (13.69)                 | 65.71                   |                         |
| <b>11. Net Profit/(Loss) for the period (9-10)</b>   | <b>(60.33)</b>                       | <b>196.40</b>           | <b>(28.53)</b>          | <b>158.09</b>           |                         |
| 12. Paid-up equity share capital   | 2,300.41                             | 2,300.41                | 2,300.41                | 2,300.41                |                         |
| 13. Share Capital pending allotment<br>(Face Value of Rs. 10/- per share)                              |                                      |                         |                         |                         |                         |
| 14. Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year            |                                      |                         |                         | 689.53                  |                         |
| <b>15. Earnings Per Share (EPS) (of Rs.10/- each) (not annualised)</b>                                 |                                      |                         |                         |                         |                         |
| (a) Basic  | (0.26)                               | 0.85                    | (0.12)                  | 0.69                    |                         |
| (b) Diluted  | (0.26)                               | 0.85                    | (0.12)                  | 0.68                    |                         |

## PART II

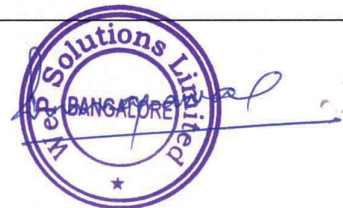
### Selected Information For the Quarter Ended June 30, 2015

| A. PARTICULARS OF SHAREHOLDING   |            |            |            |            |
|--|------------|------------|------------|------------|
| <b>1. Public Shareholding</b>  |            |            |            |            |
| -Number of shares  | 13,212,756 | 13,212,756 | 13,973,420 | 13,212,756 |
| -Percentage of shareholding  | 57.44%     | 57.44%     | 60.74%     | 57.44%     |
| <b>2. Promoters and promoter group shareholding</b>                                      |            |            |            |            |
| a) Pledged/Encumbered  |            |            |            |            |
| - Number of shares   | Nil        | Nil        | Nil        | Nil        |
| - Percentage of shares (as a % of the total shareholding of promoter and promoter group) | Nil        | Nil        | Nil        | Nil        |
| - Percentage of shares (as a % of the total share capital of the company)                | Nil        | Nil        | Nil        | Nil        |
| b) Non-encumbered  |            |            |            |            |
| - Number of Shares   | 9,790,716  | 9,790,716  | 9,030,052  | 9,790,716  |
| - Percentage of shares (as a % of the total shareholding of promoter and promoter group) | 100%       | 100%       | 100%       | 100%       |
| - Percentage of shares (as a % of the total share capital of the company)                | 42.56%     | 42.56%     | 39.26%     | 42.56%     |

| Particulars                                    | Quarter ended June 30, 2015 |
|--|-----------------------------|
| <b>B. INVESTOR COMPLAINTS</b>                  |                             |
| Pending at the beginning of the quarter        | Nil                         |
| Received during the quarter                    | Nil                         |
| Disposed of during the quarter                 | Nil                         |
| Remaining unresolved at the end of the quarter | Nil                         |

### Notes:

- The above audited financial results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on July 25, 2015
- Figures of the previous period are regrouped wherever necessary.
- Deferred tax asset is created during the quarter based on virtual certainty of expected taxable income for the full financial year.




## 4. Segment wise Revenue, Results and Capital Employed under clause 41 of the Listing Agreement.

(Rs. In Lakhs)

| Particulars                               | Quarter Ended   | Quarter Ended   | Quarter Ended   | Year Ended       |
|---|-----------------|-----------------|-----------------|------------------|
|   | Jun 30, 2015    | Mar 31, 2015    | Jun 30, 2014    | Mar 31, 2015     |
|   | Audited         | Audited         | Audited         | Audited          |
| <b>1. Segment Revenue</b>                 |                 |                 |                 |                  |
| a. Printer Business                       | 1,144.04        | 1,999.57        | 1,400.76        | 6,715.29         |
| b. MPS Business                           | 971.89          | 1,044.27        | 951.45          | 3,702.37         |
| <b>Net Sales / Income from Operations</b> | <b>2,115.93</b> | <b>3,043.84</b> | <b>2,352.21</b> | <b>10,417.66</b> |
| <b>2. Segment Results</b>                 |                 |                 |                 |                  |
| a. Printer Business                       | (215.45)        | 168.42          | (110.57)        | (69.66)          |
| b. MPS Business                           | 169.88          | 171.50          | 108.33          | 470.16           |
| Total                                     | (45.57)         | 339.92          | (2.24)          | 400.50           |
| Less: Interest                            | 43.74           | 49.04           | 39.98           | 176.70           |
| <b>Total Profit Before Tax</b>            | <b>(89.31)</b>  | <b>290.88</b>   | <b>(42.22)</b>  | <b>223.80</b>    |
| <b>3. Capital Employed</b>                |                 |                 |                 |                  |
| a. Printer Business                       | 1,722.88        | 1,984.70        | 1,948.91        | 1,984.70         |
| b. MPS Business                           | 2,399.75        | 2,147.82        | 2,153.55        | 2,147.82         |
| <b>Total</b>                              | <b>4,122.63</b> | <b>4,132.52</b> | <b>4,102.46</b> | <b>4,132.52</b>  |

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

Place: Bengaluru  
Date : July 25, 2015

For Web Solutions Limited  
  
 Ram N Agarwal  
 Chairman & Managing Director

