

N. M. RAIJI & CO.
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**Auditor's Report on Quarterly Financial Results of Wep Solutions Limited
Pursuant to the Clause 41 of the Listing Agreement**

To
**The Board of Directors
Wep Solutions Limited**

We have audited the quarterly financial results of Wep Solutions Ltd (the Company) for the quarter ended 30th June 2014, 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 the records furnished to us by the management and have not been audited by us. These quarterly financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, issued pursuant to the companies (Accounting Standards) Rules 2006, which continue to apply under section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion and to the best of our information and according to the explanations given to us, these quarterly financial results:



(i) are presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and

(ii) give a true and fair view of the net loss and other financial information for the quarter ended 30th June 2014.

Further, 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: August 5, 2014.

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, 2014

PART I Particulars	(Rs. in Lakhs except per share data)			
	Quarter Ended		Year Ended	
	Jun 30,2014	March 31,2014	Jun 30,2013	March 31,2014
	Audited	Audited	Audited	Audited
1. Income from Operations				
a. Net Sales/Income from Operations	2,345.97	3,602.76	2,834.11	11,590.92
b. Other Operating Income	6.24	3.46	7.70	17.56
Total Income from Operations(net)	2,352.21	3,606.22	2,841.81	11,608.48
2. Expenses				
a. Cost of Material consumed (net of capitalisation)	671.78	810.43	1,049.08	3,995.54
b. Purchases of stock-in-Trade (net of capitalisation)	640.02	1,022.11	503.92	2,272.78
c. Changes in inventories of finished goods, work in progress and stock in trade	23.87	243.27	78.16	401.17
d. Employees benefits expense	258.63	220.11	312.03	1,074.21
e. Depreciation and amortisation expense	173.73	174.41	185.89	726.83
f. Other expenses	592.26	597.82	778.55	2,753.20
Total Expenses	2,360.29	3,068.15	2,907.63	11,223.73
3. Profit/(Loss) from operations before other Income, finance costs and exceptional items (1-2)	(8.08)	538.07	(65.82)	384.75
4. Other Income	5.84	16.09	4.71	101.81
5. Profit/(Loss) before finance costs and exceptional item (3+4)	(2.24)	554.16	(61.11)	486.56
6. Finance Costs	39.98	41.84	41.40	204.41
7. Profit/(Loss) after finance costs but before exceptional items (5-6)	(42.22)	512.32	(102.51)	282.15
8. Exceptional items	-	-	-	-
9. Profit/(Loss) before tax (7-8)	(42.22)	512.32	(102.51)	282.15
10. Tax expense	(13.69)	148.08	(33.26)	73.38
11. Net Profit(Loss) for the period (9-10)	(28.53)	364.24	(69.25)	208.77
12. Paid-up equity share capital	2,300.41	2,300.41	1,126.21	2,300.41
13. Share Capital pending allotment (Face Value of Rs. 10/- per share)			1,174.20	
14. Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year				764.33
15. Earnings Per Share (EPS) (of Rs.10/- each) (not annualised)				
(a) Basic	(0.12)	1.58	(0.30)	0.91
(b) Diluted	(0.12)	1.58	(0.30)	0.91

PART II

Selected Information For the Quarter and Year Ended June 30, 2014

A. PARTICULARS OF SHAREHOLDING				
1. Public Shareholding				
-Number of shares	13,973,420	13,993,220	6,238,038	13,993,220
-Percentage of shareholding	60.74%	60.84%	55.39%	60.84%
2. Promoters and promoter group shareholding				
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	9,030,052	9,010,252	5,023,470	9,010,252
- 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)	39.26%	39.16%	44.61%	39.16%

Particulars	Quarter ended June 30, 2014
B. INVESTOR COMPLAINTS	
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 5th Aug 2014
- In accordance with Schedule II of the Companies Act, 2013, which has necessitated a change in estimated useful life of some of the assets:
 - The Written down value of assets amounting to Rs.86.2Lakhs, having nil residual life as on April 1, 2014, has been set off against the retained earnings as at that date.
 - For the current quarter, the charge to the Profit and Loss account is lower by Rs.10.3Lakhs.
- Deferred tax asset is created during the quarter based on virtual certainty of expected taxable income for the full financial year.
- Figures of the previous period are regrouped wherever necessary.



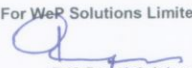
5. Segment wise Revenue, Results and Capital Employed under clause 41 of the Listing Agreement.

Particulars	(Rs. In Lakhs)			
	Quarter Ended Jun 30, 2014	Quarter Ended March 31, 2014	Quarter Ended Jun 30, 2013	Year Ended March 31, 2014
	Audited	Audited	Audited	Audited
1. Segment Revenue				
a. Printer Business	1,400.76	2,783.37	1,998.49	8,339.82
b. MPS Business	951.45	822.85	843.32	3,268.66
Net Sales / Income from Operations	2,352.21	3,606.22	2,841.81	11,608.48
2. Segment Results				
a. Printer Business	(110.57)	497.45	(142.17)	299.67
b. MPS Business	108.33	56.71	81.06	186.89
Total	(2.24)	554.16	(61.11)	486.56
Less: Interest	39.98	41.84	41.40	204.41
Total Profit Before Tax	(42.22)	512.32	(102.51)	282.15
3. Capital Employed				
a. Printer Business	1,948.91	2,056.82	1,184.16	2,056.82
b. MPS Business	2,153.55	2,241.88	2,805.05	2,241.88
Total	4,102.46	4,298.70	3,989.21	4,298.70

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

Place: Bangalore
Date : 5th Aug 2014

For WeP Solutions Limited


P K Gopalakrishnan
Managing Director

