

**N. M. RAIJI & CO.**  
*Chartered Accountants*  
Universal Insurance Building,  
Pherozeshah Mehta Road,  
Mumbai-400 001. INDIA  
Telephone: 2287 0068  
2287 3463  
Telefax : 91 (22) 2282 8646  
91 (22) 2265 0578  
E-mail : nmr.ho@nmraiji.com

**Auditors' Report on Quarterly Financial Results and Year to Date Financial Results of  
Wep Solutions Limited Pursuant to the Clause 41 of the Listing Agreement**

To,

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

We have audited the quarterly financial results of Wep Solutions Limited ('the Company') for the quarter ended September 30, 2014, and the year to date financial results for the period from April 1, 2014 to September 30, 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 disclosures made by the management and have not been audited by us. These quarterly financial results, as well as year to date 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 under 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 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. 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 and year to date 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 September 30, 2014, as well as the year to date results, for the period from April 1, 2014, to September 30, 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 the percentage of shareholdings in respect of the 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. Rajji & Co.,  
Chartered Accountants  
(Firm Registration No: 108296W)



VINAY D. BALSE  
Partner  
Membership No: 039434

Place: Bengaluru  
Date: November 13, 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 Half Year Ended September 30, 2014

PART I							(Rs. In Lakhs except per share data)
Particulars	Quarter Ended			Half Year ended		Year ended	
	Sep 30, 2014 Audited	Jun 30, 2014 Audited	Sep 30, 2013 Audited	Sep 30, 2014 Audited	Sep 30, 2013 Audited	March 31, 2014 Audited	
<b>1. Income from Operations</b>							
a. Net Sales/Income from Operations	2,461.00	2,345.97	2,631.92	4,806.97	5,466.03	11,590.92	
b. Other Operating Income	0.33	6.24	2.35	6.57	10.05	17.56	
<b>Total Income from Operations (net)</b>	<b>2,461.33</b>	<b>2,352.21</b>	<b>2,634.27</b>	<b>4,813.54</b>	<b>5,476.08</b>	<b>11,608.48</b>	
<b>2. Expenses</b>							
a. Cost of Material consumed (net of capitalisation)	835.23	671.78	1,134.88	1,507.01	2,183.96	3,995.54	
b. Purchases of stock-in-trade (net of capitalisation)	808.19	640.02	611.15	1,448.21	1,115.07	2,272.78	
c. Changes in inventories of finished goods, work in progress and stock in trade	(194.98)	23.87	(293.93)	(171.11)	(215.77)	401.17	
d. Employees benefits expense	242.55	258.63	307.43	501.18	619.46	1,074.21	
e. Depreciation and amortisation expense	150.75	173.73	187.21	324.48	373.10	726.83	
f. Other expenses	615.80	592.26	765.01	1,208.06	1,543.56	2,753.20	
<b>Total Expenses</b>	<b>2,457.54</b>	<b>2,360.29</b>	<b>2,711.75</b>	<b>4,817.83</b>	<b>5,619.38</b>	<b>11,223.73</b>	
<b>3. Profit/(Loss) from operations before other income, finance costs and exceptional items (1-2)</b>	<b>3.79</b>	<b>(8.08)</b>	<b>(77.48)</b>	<b>(4.29)</b>	<b>(143.30)</b>	<b>384.75</b>	
4. Other Income	3.11	5.84	2.57	8.95	7.28	101.81	
<b>5. Profit/(Loss) before finance costs and exceptional items (3+4)</b>	<b>6.90</b>	<b>(2.24)</b>	<b>(74.91)</b>	<b>4.66</b>	<b>(136.02)</b>	<b>486.56</b>	
6. Finance Costs	40.67	39.98	69.75	80.65	111.15	204.41	
<b>7. Profit/(Loss) after finance costs but before exceptional items (5-6)</b>	<b>(33.77)</b>	<b>(42.22)</b>	<b>(144.66)</b>	<b>(75.99)</b>	<b>(247.17)</b>	<b>282.15</b>	
8. Exceptional items	-	-	-	-	-	-	
<b>9. Profit/(Loss) before tax (7-8)</b>	<b>(33.77)</b>	<b>(42.22)</b>	<b>(144.66)</b>	<b>(75.99)</b>	<b>(247.17)</b>	<b>282.15</b>	
10. Tax expense	(10.97)	(13.69)	(46.96)	(24.66)	(80.22)	73.38	
<b>11. Net Profit/(Loss) for the period (9-10)</b>	<b>(22.80)</b>	<b>(28.53)</b>	<b>(97.70)</b>	<b>(51.33)</b>	<b>(166.95)</b>	<b>208.77</b>	
12. Paid-up equity share capital	2,300.41	2,300.41	1,126.21	2,300.41	1,126.21	2,300.41	
13. Share Capital pending allotment (Face Value of Rs. 10/- per share)			1,174.20		1,174.20		
14. Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year				764.33		764.33	
<b>15. Earnings Per Share (EPS) (of Rs.10/- each) (not annualised)</b>							
(a) Basic	(0.10)	(0.12)	(0.42)	(0.22)	(0.73)	0.91	
(b) Diluted	(0.10)	(0.12)	(0.42)	(0.22)	(0.73)	0.91	

### PART II

#### Selected Information For the Quarter and Half Year Ended Sep 30, 2014

A. PARTICULARS OF SHAREHOLDING						
<b>1. Public Shareholding</b>						
- Number of shares	13,963,220	13,973,420	6,238,038	13,963,220	6,238,038	13,993,220
- Percentage of shareholding	60.70%	60.74%	55.39%	60.70%	55.39%	60.84%
<b>2. Promoters and promoter group shareholding</b>						
a) Pledged/Encumbered						
- Number of shares	Nil	Nil	Nil	Nil	Nil	Nil
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	Nil	Nil	Nil	Nil	Nil	Nil
- Percentage of shares (as a % of the total share capital of the company)	Nil	Nil	Nil	Nil	Nil	Nil
b) Non-encumbered						
- Number of Shares	9,040,252	9,030,052	5,023,470	9,040,252	5,023,470	9,010,252
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%	100%	100%
- Percentage of shares (as a % of the total share capital of the company)	39.30%	39.26%	44.61%	39.30%	44.61%	39.16%

Particulars	Quarter ended Sep 30, 2014
<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 November 13, 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.139.6 Lakhs, having nil residual life as on April 1, 2014, has been adjusted against the retained earnings as at that date.
  - The charge to the Profit and Loss account is lower by Rs.12.1 Lakhs for the quarter and Rs.22.3 Lakhs for the period ended Sep 30, 2014.
- 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 Sep 30, 2014	Quarter Ended Jun 30, 2014	Quarter Ended Sep 30, 2013	Half Year Ended Sep 30, 2014	Half year Ended Sep 30, 2013	Year Ended March 31, 2014
	Audited	Audited	Audited	Audited	Audited	Audited
<b>1. Segment Revenue</b>						
a. Printer Business	1,606.06	1,400.76	1,829.10	3,006.82	3,827.59	8,339.82
b. MPS Business	855.27	951.45	805.17	1,806.72	1,648.49	3,268.66
<b>Net Sales / Income from Operations</b>	<b>2,461.33</b>	<b>2,352.21</b>	<b>2,634.27</b>	<b>4,813.54</b>	<b>5,476.08</b>	<b>11,608.48</b>
<b>2. Segment Results</b>						
a. Printer Business	(77.83)	(110.57)	(83.53)	(188.40)	(225.70)	299.67
b. MPS Business	84.73	108.33	8.62	193.06	89.68	186.89
Total	6.90	(2.24)	(74.91)	4.66	(136.02)	486.56
Less: Interest	40.67	39.98	69.75	80.65	111.15	204.41
<b>Total Profit Before Tax</b>	<b>(33.77)</b>	<b>(42.22)</b>	<b>(144.66)</b>	<b>(75.99)</b>	<b>(247.17)</b>	<b>282.15</b>
<b>3. Capital Employed</b>						
a. Printer Business	1,810.03	1,948.91	1,679.04	1,810.03	1,679.04	2,056.82
b. MPS Business	2,292.09	2,153.55	2,601.36	2,292.09	2,601.36	2,241.88
<b>Total</b>	<b>4,102.12</b>	<b>4,102.46</b>	<b>4,280.40</b>	<b>4,102.12</b>	<b>4,280.40</b>	<b>4,298.70</b>

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

7. The Statement of Assets & Liabilities as at Sep 30, 2014

Statement of Assets & Liabilities as at Sep 30, 2014

Particulars	As at Sep 30, 2014 Audited	As at March 31, 2014 Audited	As at Sep 30, 2013 Audited
<b>EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' funds</b>			
(a) Share capital	2,300.41	2,300.41	1,126.21
(b) Share Capital pending allotment	-	-	1,174.20
(b) Reserves and surplus	573.40	764.33	523.18
<b>Sub Total - Shareholder's funds</b>	<b>2,873.81</b>	<b>3,064.74</b>	<b>2,823.59</b>
<b>2. Non-current liabilities</b>			
(a) Long-term borrowings	31.25	93.75	156.25
(b) Other Long term liabilities	170.71	170.16	170.70
(c) Long-term provisions	206.72	176.72	210.92
<b>Sub Total - Non- Current Liabilities</b>	<b>408.68</b>	<b>440.63</b>	<b>537.87</b>
<b>3. Current liabilities</b>			
(a) Short-term borrowings	1,072.07	1,015.21	1,175.56
(b) Trade payables	1,403.48	1,176.52	1,984.97
(c) Other current liabilities	1,011.81	1,008.23	1,036.20
(d) Short-term provisions	134.81	269.37	190.84
<b>Sub Total - Current Liabilities</b>	<b>3,622.17</b>	<b>3,469.33</b>	<b>4,387.57</b>
<b>TOTAL</b>	<b>6,904.66</b>	<b>6,974.70</b>	<b>7,749.03</b>
<b>ASSETS</b>			
<b>1. Non-current assets</b>			
(a) Fixed assets	2,219.37	2,364.40	1,347.72
(b) Deferred tax assets (net)	271.22	246.56	332.69
(c) Long-term loans and advances	182.13	207.60	195.86
(d) Other non current assets	65.11	15.36	0.48
<b>Sub Total - Non Current Assets</b>	<b>2,737.83</b>	<b>2,833.92</b>	<b>1,876.75</b>
<b>2. Current assets</b>			
(a) Inventories	2,169.69	2,132.15	2,998.68
(b) Trade receivables	1,576.06	1,648.02	1,644.01
(c) Cash and cash equivalents	0.67	1.06	13.84
(d) Short-term loans and advances	420.41	359.55	1,215.75
<b>Sub Total - Current Assets</b>	<b>4,166.83</b>	<b>4,140.78</b>	<b>5,872.28</b>
<b>TOTAL</b>	<b>6,904.66</b>	<b>6,974.70</b>	<b>7,749.03</b>

Place: Bengaluru  
Date : November 13, 2014

