


## Form A

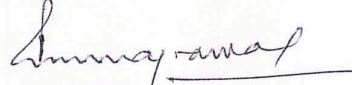
### Covering Letter of the Annual Audit Report to be filed with the Stock Exchange

1	Name of the Company	WeP Solutions Limited
2	Annual Financial Statements for the year ended	For the year ended 31 <sup>st</sup> March 2015
3	Type of Audit Observation	Un-Qualified
4	Frequency of Observation	Not Applicable

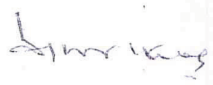
For WeP Solutions Limited

  
Sandeep Kumar Goyal  
Chief Financial Officer


For WeP Solutions Limited

  
Ram N Agarwal  
Chairman and Managing Director

For WeP Solutions Limited

  
H V Gowthama  
Audit Committee Chairman

For N.M. Raiji & Co.  
Chartered Accountants

  
Vinay Balse  
Partner  
Membership No: 039434



## WeP Solutions Limited

# WeP Solutions Limited

CIN No. L72200KA1995PLC025617

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

## NOTICE

NOTICE is hereby given that the Twentieth Annual General Meeting of the Shareholders of the Company will be held on **Thursday, 27th August, 2015** at Rotary Club, Lavelle Road, Bangalore - 560 001 at **4.00 PM** to transact the following businesses:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and Cash Flow Statement of the Company for the year ended, together with the Directors' Report and Auditor's Report thereon as circulated to the Shareholders.
2. To declare a dividend on Equity Shares for the Financial Year 2014-15.
3. To appoint Dr. AL Rao, who retires by rotation and being eligible, offers himself for re-appointment.
4. To ratify the appointment of Statutory Auditors to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting and to fix their remuneration and pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 139, 142(1) and other applicable provisions, if any, of the Companies Act, 2013, read with the rules framed thereunder, as amended from time to time, the appointment of M/s N.M. Rajji & Co, Chartered Accountants, Mumbai (Firm Registration No. 108296W), as the Statutory Auditors of the Company be and is hereby ratified by the members of the Company from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on such remuneration as may be mutually determined between the Board of Directors of the Company and the said Auditors."

### SPECIAL BUSINESS:

5. **Appointment of Shankar Jaganathan (DIN 02121024) as an Independent Director:**

To Consider, and if thought fit, to pass, with or without modification(s) the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and Clause 49 of the Listing Agreement, Shankar Jaganathan (DIN 02121024) Director of the Company who has completed term of five years and has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Companies Act, 2013 and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, who shall hold the office for a term of 5 years up to 27th August, 2020 and whose term shall not be subject to retirement by rotation."

"**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, matters, things as may be deemed fit for the purpose of giving effect to the above resolution."

"**RESOLVED FURTHER THAT** Company Secretary or the Chief Financial Officer or any one of the Director be and hereby authorized to file the necessary e-forms with the Registrar of Companies, Karnataka / Ministry of Corporate Affairs."

6. **To approve the remuneration of the Cost Auditor for the Financial Year 2015-16:**

To Consider, and if thought fit, to pass, with or without modification(s) the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to M/s Rao, Murthy and Associates, Cost Accountants, Bangalore (Firm Registration No. 000065), appointed by the Board of Directors of the Company to conduct the audit of cost records of the Company for the Financial Year 2015-16, at a remuneration amounting to Rs. 1,50,000 (Rupees One Lakh Fifty Thousand Only) per annum plus

service tax as applicable and reimbursement of out of pocket expenses incurred by them in connection of the aforesaid audit, as recommended by the Audit Committee and approved by the Board of Directors of the Company, be and is hereby ratified and confirmed.”

**7. Appointment of Prashee Agrawal (DIN: 03420048) as Non – Executive (Non – Independent) Director:**

To consider and if thought fit, to pass with or without modification(s) the following resolution as **Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Clause 49 of Listing Agreement, Prashee Agarwal (DIN: 03420048) who was appointed by the Board of Directors as an Additional Director of the Company with effect from 18th May, 2015 and who holds office upto the date of the 20th Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the said Act proposing her candidature for the office of Non- Executive (Non-Independent) Director of the Company, subject to retirement by rotation be and is hereby appointed as Non- Executive (Non-Independent) Director of the Company.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, matters, things as may be deemed fit for the purpose of giving effect to the above resolution.”

“**RESOLVED FURTHER THAT** Company Secretary or the Chief Financial Officer or any one of the Director be and hereby authorized to file the necessary e-forms with the Registrar of Companies, Karnataka/Ministry of Corporate Affairs.”

**8. Appointment of Ram N Agarwal (DIN: 00006399) as Managing Director:**

To approve appointment of Ram N Agarwal (DIN: 00006399) as a Managing Director designated as Chairman and Managing Director and in this regard, to consider and if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution:**

“**RESOLVED THAT** in accordance with the provisions of Section 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) thereof, for the time being in force) and Clauses of Articles of Association of the Company, Ram N Agarwal, be and is hereby appointed as the Managing Director of the Company for a period of three years with effect from 16th February, 2015 on such terms and conditions as set out in the Statement annexed to the notice convening this meeting, with the liberty given to the Board of Directors to alter and vary the terms and conditions of the said appointment and/or remuneration in such manner as may be agreed to by and between the Company and Ram N Agarwal provided however, such alterations are within the maximum limits laid down in the Companies Act, 2013 for the time being in force.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, matters, things as may be deemed fit for the purpose of giving effect to the above resolution.”

“**RESOLVED FURTHER THAT** Company Secretary or the Chief Financial Officer or any one of the Director be and hereby authorized to file the necessary e-forms with the Registrar of Companies, Karnataka / Ministry of Corporate Affairs.”

**By Order of the Board of Directors  
For WeP Solutions Limited**

**Place : Bangalore  
Date : 25th July, 2015**

**Sujata Arvind Lele  
Company Secretary**

**Registered Address: 40/1 A Basappa Complex, Lavelle Road, Bangalore 560 001**

**NOTES:**

1. An explanatory statement pursuant to Section 102 (1) of the Companies Act, 2013 in respect of the special business is annexed hereto.
2. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. The instrument of proxy in order to be effective, must be deposited at the Registered Office of the Company, duly completed and signed not less than 48 hours before the meeting.  

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. The register of members and the share transfer books of the Company shall remain closed from 21st August, 2015 to 27th August, 2015 (both days inclusive).
4. Dividend as recommended by the Board of Directors for the year ended 31st March, 2015, and if approved at Annual General Meeting, will be payable to those eligible members whose names stand in the Register of Members/ Register of Beneficial holders of shares as the case may be for shares held in physical and electronic (Demat) form respectively, as on the date of Book Closure i.e 21st August, 2015
5. A Shareholder desirous of getting any information on the accounts or operations of the Company is requested to forward his request to the company at least 10 days prior to the meeting so that the required information can be made available at the Meeting.
6. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
7. Shareholders are requested to intimate immediately, any change in their address or bank mandates to their depository participants with whom they are maintaining their DEMAT accounts or to the Company's Share Transfer Agent M/s Cameo Corporate Services Limited, Chennai if the shares are held by them in physical form.
8. For the convenience of members and for proper conduct of the meeting, entry to the place of meeting will be regulated by attendance slip, which is a part of this Notice. Members are requested to sign at the place provided on the attendance slip and hand it over at the entrance of the venue.
9. Shareholders are requested to kindly bring their copy of the Annual Report with them at the Annual General Meeting as no extra copy of the Annual Report would be made available at the Annual General Meeting.
10. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
11. Consequent upon the introduction of Section 72 of the Companies Act, 2013, shareholders are entitled to make a nomination in respect of shares held by them in physical form. Shareholders desirous of making a nomination are requested to send their requests in Form No. SH.13 in duplicate (which will be made available on request) to the Registrar and Share Transfer Agent of the Company.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their DEMAT accounts. Members holding shares in physical form can submit their PAN to the Company / Registrar and Share Transfer Agent of the Company.
13. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.

#### 14. **Voting through electronic means:**

Pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management Administration) Rules, 2014 as amended and Clause 35B of the Listing Agreement with Stock Exchange, a member of the company holding shares either in physical form or in dematerialized form, may exercise his right to vote by electronic means in respect of the resolution(s) contained in this notice.

The Company is pleased to provide members facility to exercise their votes at the 20th AGM by electronic means through the e- voting services provided by Karvy Computershare Private Limited (KCPL) and the business may be transacted through e-voting as per instruction below:

- (a) Date and time of commencement of voting through electronic means: 21st August, 2015 (9.00 AM)
- (b) Date and time of the end of voting through electronic means beyond which voting will not be allowed: 26th August, 2015 (5.00 PM)
- (c) Details of website : [www.evoting.karvy.com](http://www.evoting.karvy.com)
- (d) For any further clarification contact our Toll Free No.: 1-800-34-54-001 or e-mail us at [evoting@karvy.com](mailto:evoting@karvy.com)
- (e) Details of Scrutinizer: Vinay B L, Practicing Company Secretary
- (f) **The Instructions for e-voting are as under:**
  - i. Open your web browser during the voting period by typing the URL: <https://evoting.karvy.com>
  - ii. Enter the login credentials which will be sent separately by e-mail or post.
  - iii. After entering these details appropriately, click on "LOGIN".
  - iv. Members holding shares in Demat / Physical form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password can be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-voting through **Karvy Computershare Private Limited e-Voting platform**. System will prompt you to change your password and update any contact details like mobile #, email ID etc on 1st login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - v. You need to login again with the new credentials.
  - vi. On successful login, the system will prompt you to select the 'Event Number' i.e. '**Company Name**'.
  - vii. If you hold shares in demat form and you are already registered with Karvy Computershare Private Limited and casted your vote earlier for any company, you shall use your existing User ID and Password for casting your vote.
  - viii. On the voting page, you will see Resolution Description and against the same the option 'FOR/AGAINST/ABSTAIN' for voting. Enter the number of shares (which represents number of votes) under 'FOR/AGAINST/ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/AGAINST' taken together should not exceed your total shareholding as on the cut-off date, as mentioned above. You may also choose the option "ABSTAIN" in case you do not want to cast vote.
  - ix. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
  - x. Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
  - xi. Corporate/Institutional Members (Corporate/Fls/Flls/Trust/Mutual Funds/Banks, etc) are required to send scan (PDF format) of the relevant Board resolution to the Scrutinizer through e-mail to

[vinay@vinaybl.com](mailto:vinay@vinaybl.com) with copy to [evoting@karvy.com](mailto:evoting@karvy.com) and [investor@wepsol.in](mailto:investor@wepsol.in), The file scanned image of the Board Resolution should be in the naming format "Corporate Name. \_\_\_\_\_ Event Name \_\_\_\_\_ and Event Number \_\_\_\_\_".

- xii. The e-voting module shall be disabled for voting on 26th August, 2015 at 5.00PM. Once the vote on a resolution is cast by the Shareholder, the Shareholder shall not be allowed to change subsequently. The voting rights of the Shareholders shall be in proportion of their shares in the paid-up equity share capital of the Company as on the book closure date.
- xiii. In case of any queries, member may contact the company at [investor@wepsol.in](mailto:investor@wepsol.in)
- xiv. Vinay B L, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall within a period not exceeding three (3) days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witness not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favor or against, if any, forthwith to the Chairman. The results shall be declared on or after the AGM.
- xv. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.wepsolutions.co.in](http://www.wepsolutions.co.in) and on the website of the Karvy Computershare Private Limited [www.evoting.karvy.com](http://www.evoting.karvy.com) within two days of the AGM of the Company and communicated to the BSE, where the shares of the Company are listed.

## **II. Facility for members not having access to electronic voting**

- i. As provided in Clause 35B of Listing agreement, to enable those members who may not have access to electronic voting facility to exercise their vote, a physical ballot form is being sent along with the Notice of Annual General Meeting.
- ii. In case member opts for voting through postal ballot, They can fill in the details as per Form MGT 12 enclosed along with this notice and send the same in the Pre-paid Business Reply Envelop enclosed along with the Annual Report.
- iii. The Scrutinizer will collate the votes downloaded from the e-voting system and votes received through Physical Ballot to declare the results of the resolutions forming part of Notice of the Annual General Meeting.
- iv. A member can opt for only one mode of voting, i.e. either by physical ballot or postal ballot or by electronic voting. In case member casting votes in all modes, the votes made through electronic voting shall prevail.

## **Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013**

### **Item No.5**

Shankar Jaganathan is a Chartered Accountant and Law Graduate. He has varied experience in Corporate, Academic and Social Sectors. He worked with Wipro Limited for 18 years. He is currently practicing as a Management Consultant and focused in research, writing and teaching.

Shankar Jaganathan is the Independent Director of the Company and have held the positions as such for 5 (five) years.

The Securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement inter alia stipulating the conditions for the appointment of Independent Directors by a Listed Company.

It is proposed to appoint Shankar Jaganathan as an Independent Director under Section 149 of the Act and Clause 49 of the Listing Agreement to hold office for 5 (Five) consecutive years upto 27th August, 2020 and whose term shall not be subject to retirement by rotation.

Shankar Jaganathan is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

The Company has received declaration from Shankar Jaganathan that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

In the opinion of the Board, Shankar Jaganathan fulfill the conditions for appointment as Independent Directors as specified in the Act and the Listing Agreement. Shankar Jaganathan is independent of the management.

Details of Directors seeking appointment/re-appointment are provided herewith:

<b>Date of Birth</b>	21st August, 1960
<b>Date of Appointment</b>	8th May, 2010
<b>Qualification</b>	Chartered Accountant and Law Graduate
<b>List of other directorships and position held</b>	1. Right Horizons Financial Services Private Limited – Independent Director. 2. Cimplyfive Corporate Secretarial Services Private Limited - Director and CEO.
<b>Chairman/Member of the committee of the Board of Directors of other Public Company</b>	NIL
<b>Shareholding in the Company</b>	2,228 Shares

Copy of the draft letter for re-appointing Shankar Jaganathan as Independent Director setting out the terms and conditions are available for inspection by members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

Shankar Jaganathan is interested in the resolution set out at Item No. 5 of the Notice with regard to his respective appointment.

The relatives of Shankar Jaganathan may be deemed to be interested in the resolution set out at Item No.5 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

Your Board recommends the Ordinary Resolutions set out at Item No. 5 of the Notice for approval by the Shareholders.

#### **Item No. 6**

The Board of Directors of the Company on the recommendation of the Audit Committee, approved the appointment of M/s Rao, Murthy and Associates, Cost Accountants, Bangalore, to conduct the audit of cost records of the Company for the Financial Year 2015-16 at a remuneration amounting to Rs. 1,50,000 (Rupees One Lakh Fifty Thousand Only) per annum plus service tax as applicable and reimbursement of out of pocket expenses incurred by them in connection of the aforesaid audit, subject to ratification by Shareholders.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be ratified by the Members of the Company. Accordingly the Members are requested to ratify the remuneration payable to the Cost Auditors for the Financial Year 2015-16 as set out in the resolution for the aforesaid services to be rendered by them.

Save and except the above, none of the Director / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

Your Board recommends the Ordinary Resolutions set out at Item No. 6 of the Notice for approval by the Shareholders.

#### **Item No. 7**

The Board of Directors have appointed Prashee Agarwal as Additional Director of the Company w.e.f 18th May, 2015. As per the provisions of Section 161(1) of the Companies Act, 2013, Prashee Agarwal shall hold office as an Additional Director only upto the date of this Annual General Meeting of the Company, and is eligible for being appointed as a Non – Executive (Non – Independent) Director.

Prashee Agarwal completed her Bachelor of Engineering from Mysore, Post Graduate Diploma in Telecommunications from Pune Institute of Advanced Technology, Pune and Master of Business Administration from Xavier's Institute of Business Management, Bhubaneshwar. She has extensive functional consulting experience with the implementation and maintenance of Oracle 11i Financials at various client locations across industry verticals. She has also worked with Business Users and Technical Team Members through various stages of the Implementation and Support Life Cycle.

Details of Director seeking appointment/re-appointment are provided herewith:

<b>Date of Birth</b>	4th May, 1974
<b>Date of Appointment</b>	18th May, 2015
<b>Qualification</b>	Bachelor of Engineering, Post Graduate Diploma in Telecommunications and Master of Business Administration.
<b>List of other directorships and position held</b>	NIL
<b>Chairman/Member of the committee of the Board of Directors of other Public Company</b>	NIL
<b>Shareholding in the Company</b>	5,181 Shares

Copy of the draft letter for appointing Prashee Agarwal as a Non-Executive (Non-Independent) Director setting out the terms and conditions are available for inspection by members at the Registered Office of the Company.

Save and except Prashee Agarwal and her relatives, except Ram N Agarwal, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 7

The Board recommends the Ordinary Resolution set out at Item No. 7 of the Notice for approval by the Shareholders.

#### **Item No. 8**

Ram N Agarwal completed B.Tech from IIT Kanpur and in 1972 he completed PGDM from IIM, Kolkata, specializing in Finance, Marketing and Systems. Ram N Agarwal pioneered to create India's first employee owned company Wipro e-Peripherals in 2000. He led an employee buy-out of IT Peripherals business from Wipro. During his tenure of 23 years at Wipro, he led multiple business units and functional areas. He led many of Wipro's initiatives in Brand Building, Innovation and Six Sigma. He also seeded Wipro's software business during its early stages and was responsible for many Technical Collaboration Agreements. He has been an Executive Council Member of Manufacturing Association of Information Technology, an IT Product Promotion body in India.

Ram N Agarwal will attain the age of 70 years on 31st October, 2016 and hence continuation of his employment as Managing Director requires the approval of members by way of a Special Resolution. Section 196(3) of the Companies Act, 2013 inter-alia provides that no company shall continue the employment of a person who has attained the age of 70 years, as Managing Director, Whole-Time Director or Manager unless it is approved by the members by passing a Special Resolution. Part I of Schedule V to the Act contains a similar relaxation.

Keeping in view that Ram N Agarwal has rich and varied experience in the industry and has been involved in the operations of the Company over a long period of time; it would be in the interest of the Company to appoint Ram N Agarwal as Managing Director.

Pursuant to the recommendation of Nomination and Compensation Committee, the Board of Directors of the Company passed a resolution on 14th February, 2015 approving appointment of Ram N Agarwal as Chairman and Managing Director of the Company for a period of three years with effect from 16th February, 2015. This is subject to approval of the Shareholders at this Annual General Meeting.

The explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act 2013.



The details of remuneration payable to Ram N Agarwal and the terms and conditions of appointment are as mentioned below:

- i. Fixed Remuneration: NIL
- ii. Profit Linked Commission:
  - a. 5% of the Annual Net Profit as per the provisions and calculations mentioned in Section 197 of the Companies Act, 2013.
  - b. Profit Linked Commission shall be payable Quarterly after approval of Quarterly Accounts by the Board of Directors.
  - c. In case of loss, no commission shall be payable for that Quarter.

Details of Director seeking appointment/re-appointment are provided herewith:

<b>Date of Birth</b>	31st October,1946
<b>Date of Appointment</b>	16th February, 2015
<b>Qualification</b>	B.Tech from IIT Kanpur and PGDM from IIM, Kolkata.
<b>List of other directorships and position held</b>	1. WeP Peripherals Limited – Managing Director 2. wep solutions india limited – Director 3. E Peripherals Trading Limited – Director 4. RNAWEP Investment Private Limited – Director
<b>Chairman/Member of the committee of the Board of Directors of other Public Company</b>	NIL
<b>Shareholding in the Company</b>	32,05,056 Shares

Ram N Agarwal satisfies all the conditions set out in Part I of Schedule V and Section 196(3) of the Companies Act, 2013 for being eligible for his appointment as Managing Director. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

Copy of the draft letter for appointing Ram N Agarwal as Managing Director setting out the terms and conditions are available for inspection by members at the Registered Office of the Company.

Save and except Ram N Agarwal and his relatives, except Prashee Agarwal, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 8

Your Board recommends the Special Resolution set out at Item No. 8 of the Notice for approval by the Shareholders.

**By Order of the Board of Directors  
For WeP Solutions Limited**

**Place : Bangalore  
Date : 25th July, 2015**

**Sujata Arvind Lele  
Company Secretary**

# WeP Solutions Limited

CIN No. L72200KA1995PLC025617

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

## ATTENDANCE SLIP

(20th Annual General Meeting scheduled on Thursday, 27th August 2015)

I am a member/proxy for the member of the company. I hereby record my presence at the 20th Annual General Meeting of the Company held on **Thursday, 27th August 2015 at Rotary Club, Lavelle Road, Bangalore -560001 at 4.00 PM**

Full Name of the Member (In Block Letters)	
Folio No./DPID/Client ID	
No of Shares held	
Name of the Proxy (In Block Letters)	

# WeP Solutions Limited

CIN No. L72200KA1995PLC025617

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

## PROXY FORM – MGT 11

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member (s)	
Registered Address	
E-mail ID	
Folio No/ Client ID	
DPID	

I/We, Being the member(s) of, ..... Shares of WeP Solutions Limited, hereby appoint

1. Name: ..... E-mail Id: .....

Address: .....

..... Signature: .....

or failing him

2. Name: ..... E-mail Id: .....

Address: .....

..... Signature: .....

or failing him

3. Name: ..... E-mail Id: .....

Address: .....

..... Signature: .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 20th Annual General Meeting of the Company to be held on **Thursday 27th August, 2015 at 4.00 PM** at Rotary Club, Lavelle Road, Bangalore-560001 and /or at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	Votes	
		For	Against
<b>Ordinary Business</b>			
1.	To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and Cash Flow Statement of the Company for the year ended, together with the Directors' Report and Auditor's Report thereon as circulated to the shareholders.		
2.	To declare dividend on Equity Shares for the Financial Year 2014-15		
3.	To appoint Dr. A L Rao, who retires by rotation at this meeting and being eligible, offers himself for re-appointment.		
4.	Ratification of the appointment of Statutory Auditors.		
<b>Special Business</b>			
5.	Appointment of Shankar Jaganathan (DIN: 02121024) as an Independent Director.		
6.	To approve the remuneration of the Cost Auditor for the Financial Year 2015-16.		
7.	Appointment of Prashee Agarwal (DIN: 03420048) as Non-Executive (Non Independent) Director		
8.	Appointment of Ram N Agarwal (DIN: 00006399) as Managing Director.		

As witness my/our hand(s) , this..... day of ..... 2015.

Signature of Shareholder: .....

Signature of Proxy holder(s): .....

Affix  
Revenue  
Stamp

*Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.*

# WeP Solutions Limited

CIN No. L72200KA1995PLC025617

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

## Form No. MGT-12 POLLING PAPER / BALLOT PAPER

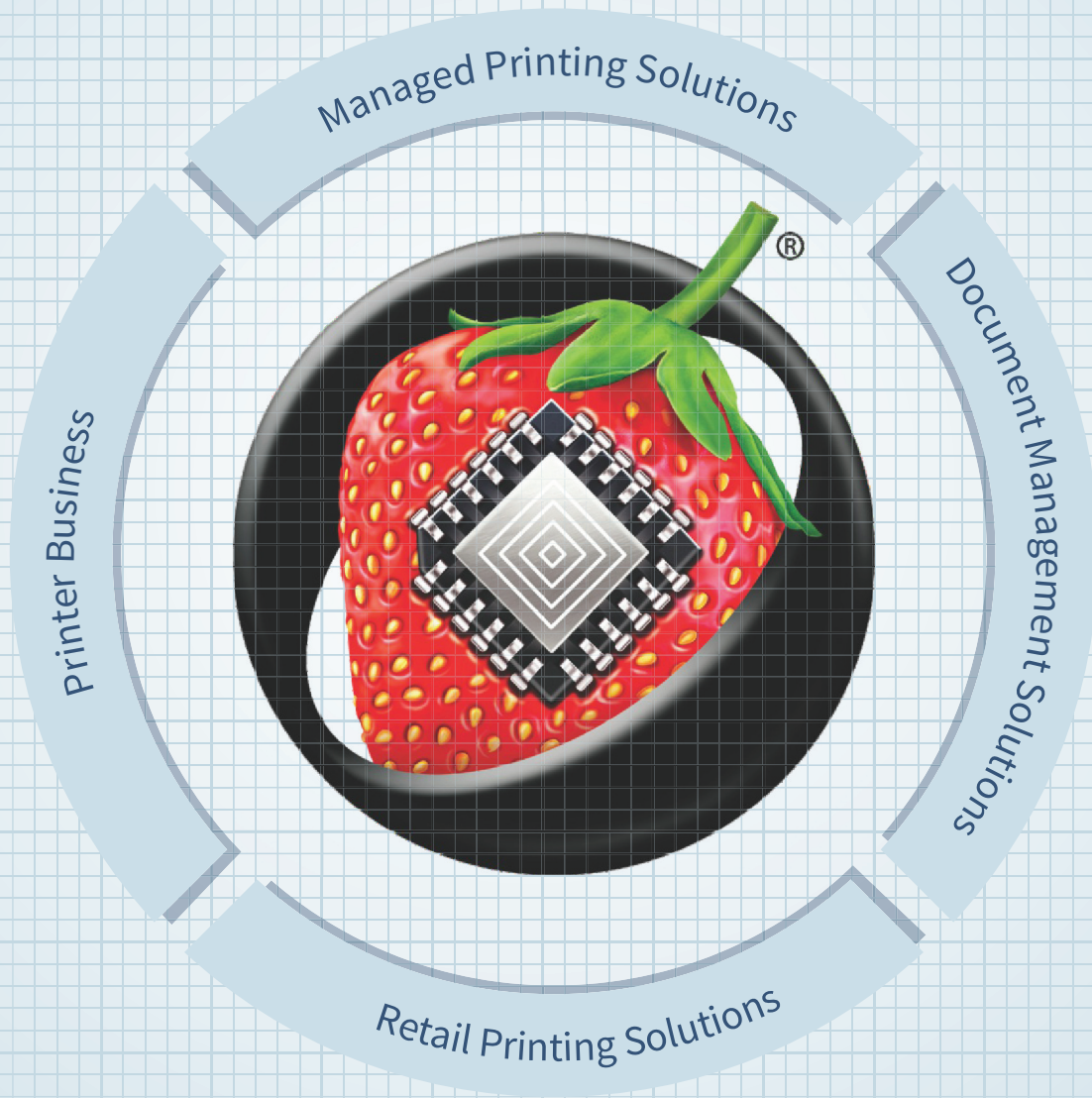
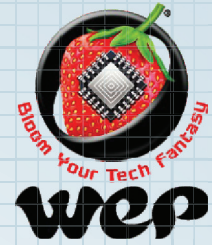
[Pursuant to Section 109(5) of the Companies Act, 2013 and Rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

Name of the Company: <b>WeP Solutions Limited</b>				
Registered office: <b>40/1A, Basappa Complex, Lavelle Road, Bangalore – 560 001</b>				
Sl. No	Particulars	Details		
1.	Name of the First Named Shareholder (In block letters)			
2.	Postal address			
3.	Registered Folio No. / *Client ID No. <i>(*Applicable to investors holding shares in dematerialized form)</i>			
4.	Class of Share			
I hereby exercise my vote in respect of Ordinary / Special Resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:				
Sl. No.	Item No.	No. of Shares held by me	I assent to the resolution	I dissent from the resolution
<b>Ordinary Business:</b>				
1.	To receive, consider and adopt the Audited Balance Sheet as at 31st March 2015, the Statement of Profit and Loss and Cash Flow Statement of the Company for the year ended, together with the Directors' Report and Auditor's Report thereon as circulated to the shareholders.			
2.	To declare dividend on Equity Share for the Financial Year 2014-15.			
3.	To appoint Dr. A L Rao, who retires by rotation at this meeting and being eligible, offers himself for re-appointment.			
4.	Ratification of the appointment of Statutory Auditors.			
<b>Special Business:</b>				
5.	Appointment of Shankar Jaganathan (DIN: 02121024) as an Independent Director.			
6.	To approve the remuneration of the Cost Auditor for the Financial Year 2015-16.			
7.	Appointment of Prashee Agarwal (DIN: 03420048) as Non-Executive (Non-Independent) Director			
8.	Appointment of Ram N Agarwal (DIN: 00006399) as Managing Director.			

Place:

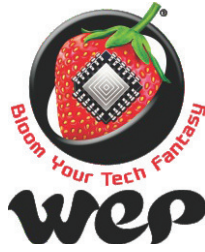
Date:

(Signature of the Shareholder)



# WeP Solutions Limited

TWENTIETH ANNUAL REPORT 2014-15



## Corporate Information

### Board of Directors

Ram N Agarwal	- Chairman and Managing Director (w.e.f 16th February 2015)
H V Gowthama	- Independent Director
Sudhir Prakash	- Independent Director
Shankar Jaganathan	- Independent Director
Mythily Ramesh	- Independent Director
G H Visweswara	- Non-Executive Director
Dr. A L Rao	- Non-Executive Director
B R Ganesh	- Small Shareholders and Independent Director
Prashee Agarwal	- Additional Director (w.e.f 18th May 2015)

### Share Transfer Agent

Cameo Corporate Services Limited,  
#1, Subramanian Building, Club House Road,  
Chennai – 600 002  
Email: investor@cameoindia.com

### Bankers

Axis Bank  
Corporation Bank  
HDFC Bank

### Statutory Auditors

M/s N.M. Raiji & Co, Chartered Accountants, Mumbai

### Secretarial Auditor

S Kannan, Practicing Company Secretary, Bangalore

### Cost Auditors

M/s Rao, Murthy and Associates, Cost Accountants,  
Bangalore

### Internal Auditors

M/s. Gnanoba & Bhat, Chartered Accountants, Bangalore

### Corporate Identity Number (CIN)

L72200KA1995PLC025617

### Listed on

Bombay Stock Exchange (BSE)  
Scrip Code: 532373

### Website

[www.wepsolutions.co.in](http://www.wepsolutions.co.in)

### Investor E-mail ID

[investor@wepsol.in](mailto:investor@wepsol.in)

### Registered Office

40/1 A, Basappa Complex,  
Lavelle Road, Bangalore 560 001  
Tel.: +91 80 6611 2000 Fax: +91 80 6611 2055  
E-mail : [info@wepsol.in](mailto:info@wepsol.in)

### Manufacturing Locations:

- Karnataka:  
No. 312/313, Hebbal Industrial Area, Mysore - 570 016.
- Himachal Pradesh:  
Plot No. 87, EPIP, Phase I, Jharmajri, District: Solan,  
Himachal Pradesh - 174 103.

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## Letter to the Shareholders

Dear Shareholders,

### **The year gone by**

The year 2014-15 has been a momentous year for India. The year started with a historic political change wherein first time in Indian political history, a single political party (non-congress) acquired majority in Lok Sabha. This augured well for political stability and set a platform for many bold economic changes including 'ease of doing business' in India. To say the least, doing Business in India, is painful for companies whose hardware products are 'made in India'. This is due to several non optimal, non understandable complex regulations from multiple regulating authorities. We hope, major reforms and changes will be brought in for 'ease of doing business' particularly for 'small businesses' who need speed and efficiency.

Economy continued to improve as inflation was controlled, liquidity conditions were eased. However, most Indian companies continued to face economic challenges due to prevalent economic and industrial environment. Market expectation of high growth with profitability were proved to be misplaced as quarter 4 results of many corporates indicate. It was a difficult year for IT Products Industry as demand for personal computers and printers remained stagnant. These challenges forced many IT hardware company to restructure their business. Your company continued to recalibrate its business path and remained focused on its high growth Managed Printing Solution (MPS) business and Application Specific Printing (ASP) business. Company degrew in its traditional Impact Printer business. Growth in MPS business and Retail Business Products business could not compensate the degrowth in the traditional Impact Printer Business resulting in degrowth in our sales and profits.

During the year 2013-14, we were awarded a sales contract to connect our unique ASP solution to VVPAT (A device which connects to Electronic Voting Machines (EVMs)). The VVPAT solutions got tested in about 10,000 booths in May 2014 Lokasabha elections. This VVPAT solutions got retested during assembly elections after Lok Sabha Election of 2014. The success of this solution is a matter of pride for your company. This business also offers a sizeable business opportunity. We expect that we will get benefitted in the years to come for our pioneering efforts.

### **Looking ahead:**

Honourable Prime Minister has announced many programs that will boost the economy in general, and our sector/company in particular. Programs which will directly benefit us are 'Digital India' and 'Make in India'. Another big push for IT Digital Products & Services will come for increasing use of Aadhaar and with Financial inclusion. Rapid progress has been made by Government of India at all these fronts. We are seeing cumulative effect of all these infrastructural initiatives in growth of MPS Business, higher demand for Document Management Solutions (DMS) business towards compliances and management. Internal assessment shows that DMS business is more than 4000 millions documents even in select vertical industries and in RBP business India has more than 12 million small business outlets waiting to be digitized.

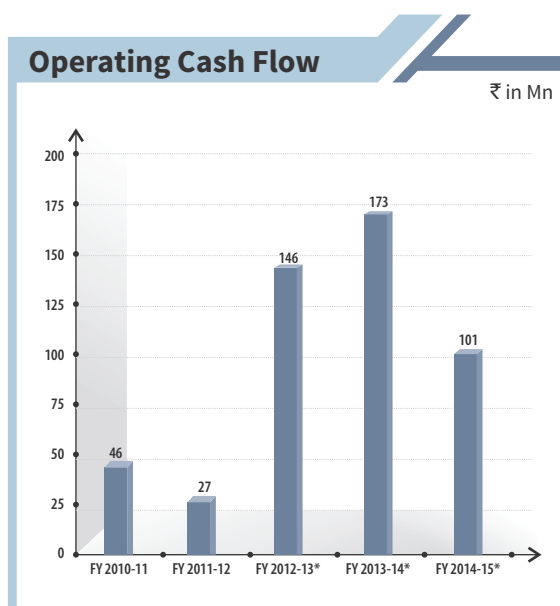
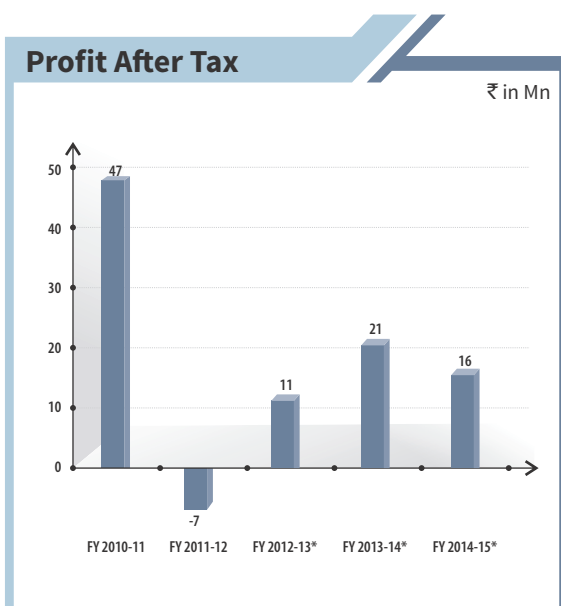
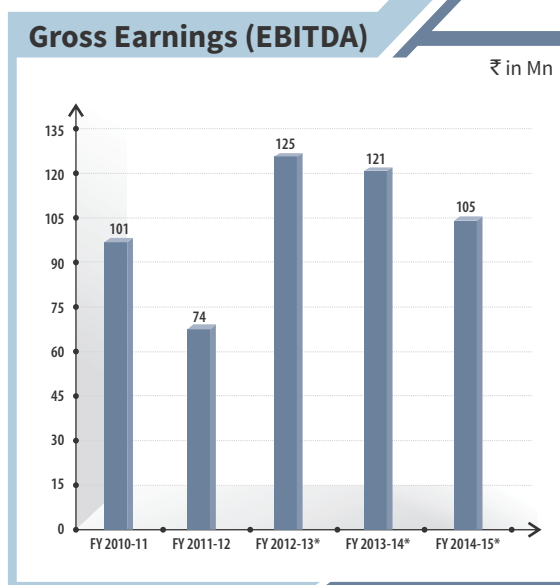
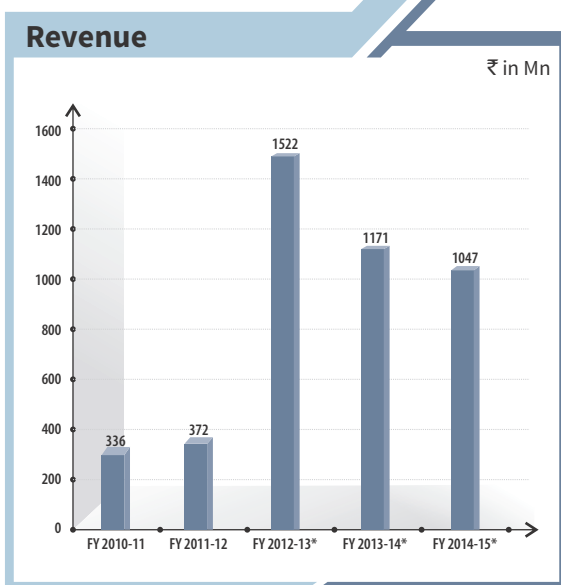
Pioneering developmental efforts/investments are being made by us in providing unique e-Commerce and financial inclusion solutions. These efforts and investments combined with huge emerging digital opportunities will provide the company significant growth prospects in the years ahead. We remain committed to provide "Tech Fantasy" to our customers and returns to our shareholders in addition to providing excitement to our employees.

I thank all my dear shareholders for your continued support. I take this opportunity to place on record my sincere gratitude to our Bankers, regulatory bodies like SEBI, BSE and all others for their support. I also wish to express my appreciation to my colleagues on the Board and our employees for their leadership, dedication and commitment. I thank everyone for their cooperation and trust reposed in us.

With Best Regards,

Ram N Agarwal

## Performance at a Glance



\* Includes revenue of Printers business acquired wef April 1, 2012





## Business Overview

### WeP Managed Printing Solutions (MPS)

Managed Printing Solutions (MPS) focuses on providing complete management of printing, copying and scanning of the documents for an organization. It includes assessment and understanding of the printing environment of the customer and manages the upkeep of printers, consumables and spares as and when required. Organizations today spend 1 to 3 percent of their revenue on print related costs. Actively managing overall printing efforts, they can reduce recurring spending on document output by 10 to 30 percent.

### WeP MPS Solutions

- **Asset Plus Solutions and Services (APSS):**

WeP provides end to end solution for managing customer print requirements. WeP deploys hardware, software, consultancy, services onsite at customer premises and offer these services under pay as you use model.

- **Full Service Solutions (FSS):**

Customers today might have already invested on the print infrastructure but struggle to manage it on their own. WeP comes to rescue and offer services to manage customer's existing print fleet. It gives customer peace of mind and also benefits to get the maximum return on the investment.

- **Bulk Printing Solutions (BPS):**

Customers would have peak print requirements. It is not required to build the infrastructure for one time print requirements. WeP offers to build the infrastructure onsite or offsite for customers to complete the job.

Customers today are conscious about the data security in their organizations. Documents left at the printer are a security risk, a costly expense and an environmental concern. WeP provides various secure print options to its customers to safe guard their data from misuse.

For organizations who want to eliminate stacks of unclaimed print jobs left at printers and increase document security, WeP provides a secure print service that is easy to install and use with no print queue modifications required.

Secure print options allows your users to release their print jobs at any device with their smartphone or a web-enabled computer.

#### Features and benefits of secure print:

- Centralized Print Manager & Print Monitor
- Printer Usage Tracking / Print Counting
- Printer Counter / Toner Level
- Print Notification and Authentication (by PIN)
- Using Project Code / Client Code / Job Code

### WeP Color Printing: Now Easier and More Accessible than Ever

For many businesses, cost and convenience have in the past been major deterrents to color printing. But in this age when color matters more than ever before, the good news is that it is also more accessible and affordable. WeP is making quality in house color printing easier than ever with printers and multifunction devices that provide outstanding and affordable color that help you make an impact to your customers and easily control costs.

### Document Management Solutions (DMS)

WeP is a pioneer and an early starter in the Managed Printing Solutions space and now WeP is moving up the value chain by managing the entire life cycle of the documents for its customers. WeP has launched unique Document Management Solutions for its customers.

WeP has started a unique offering DMS, for its customers which is in line with its values of providing “tech-fantasy” products and solutions. Document Management Solution (DMS) is unique in the sense that it is one of its kind solutions which makes customer documents compliant with Indian IT Act 2000 and complies with ISO 19005-1:2005

WeP DMS not only helps its customers become compliant under GCM (Governance & Compliance Management) framework, but also increases the efficiency and productivity of the organizations by managing the documents.

Our solutions are based on open source platform which promotes the idea of “Digital India” launched by our Prime Minister Shri. Narendra Modi

WeP DMS tries to handle the threat of “Digital Dark Age” Digital Dark Age refers to the loss of all important and business critical information lying in the form of documents due to rapid technological changes. WeP DMS has solutions which will help customers overcome this threat.

#### WeP DMS Features:

1. **Business Continuity:** People move from organizations, but organization stays, hence it is critical for an Organization to have its record in safe custody.
2. **Legal hold for the e-documents:** WeP provide its customers with legal hold of the scanned documents as per the Indian Information Technology Act 2000. The documents on legal hold can be produced in the court of law as an evidence.
3. **Openability for life of e-document in a royalty free manner:** The document will be openable for life, independent of technological obsolescence because of the PDF/A, an ISO format.
4. **Open source Software used as Repository:** Ownership of documents remains with the customer as compared to licensed software.
5. **World standards of Archiving:** The solution provided by us is as per the ISO 19005:1-2005 which is PDF/A.
6. **Future Proofing Strategy:** It fulfills the intent of long term preservation and the organizations have a complete track and control of their Business Critical Records and helps overcome the danger of “Digital Dark Age”.
7. **Traceability:** The electronic record can itself contain the information of its physical presence; this will help getting the right file in a lesser duration of time.
8. **Digital Repository of Records:** This helps to create a digital back up of the business critical physical records, this will also become the mirror image of the physical records with the same legal validity as that of physical records.



## Information Governance Reference Model (IGRM)

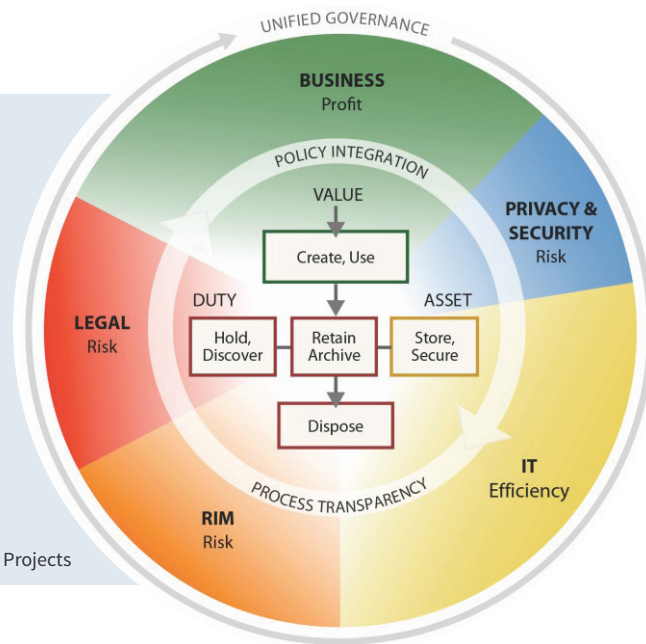
Linking duty + value to information asset = efficient, effective management

**Duty:** Legal obligation for specific information

**Value:** Utility or business purpose of specific information

**Asset:** Specific container of information

\*Pic. source: EDRM Projects



WeP has developed DMS specific to Pharmaceutical, Healthcare, HR records, Engineering & Maintenance records for Airlines, Audit Records and Company Records.

**Pharmaceutical Vertical:** This is one of the most regulated sectors. There are various kinds of documents generated by the Pharmaceutical Companies like SOP'S, Dossiers, BMR, BPR etc. These documents have to be preserved for a long period of time as per compliance terms set by agencies across the globe like the US-FDA and also for GMP practices followed by the Pharmaceutical Companies.

The Pharmaceutical companies face audits throughout the year, for this as it is a part of data integrity to be maintained by Pharmaceutical Companies.

The Regulatory Bodies also advocate having this documents Digitized in the PDF/A format.

WeP's offering is in line with the regulatory agencies directive of digitization and this will help Pharmaceutical companies to be compliant and efficient in a cost effective manner.

**HR Records Digitization:** HR Department has to maintain the records of each and every employee of an organization, the longer the employee stays in an organization the bigger is his file and larger the number of employees more difficult it is to organize the information. There are many important documents like the, promotion letters, background check, resume, warning letters, training documents, bonds, contracts etc. that has to be stored by the Department almost forever even after an employee leaves. Hence the HR has to be an expert in Information Management so that they can keep a complete track of important documents of the employees so as to meet compliance as well as also be efficient.

WeP's offering has a solution to help HR department meet the compliance by having its Records in PDF/A mode to meet compliance as well as beat the Digital Dark Age. WeP's offering would make information handling for HR Department efficient as well as cost effective without compromising on the Compliance.

## Business Overview

**Audit Records Digitization:** The Organizations have to go through multiple audits throughout the year.

The Financial records have to be preserved for a period of 8 years or sometimes forever. The bigger the Organization, the more records it has to produce and preserve. Hence the need of digitization of records that too with the same legal validity and authenticity is a real need for the finance department of an organization for a smooth audit as well as a full proof measure of internal compliance.

WeP's offering has a solution to help Finance department meet the compliance by having its records in PDF/A mode to meet compliance as well as beat the Digital Dark Age and also fulfills the regulations as set by the Indian Information Technology Act 2000. WeP's offering would make auditing of records efficient as well as cost effective without compromising on the Compliance.

**Airlines Records Digitization:** The Airline Industry generates a lot of documents, which are related to Maintenance of Aircrafts, Engineering Documents, EXIM Documents, etc. These records have to be maintained by the Airline Company for almost ever as the Regulatory Body may ask for it at any time as well as for the safety of passengers who travel by their Flights. The regulatory bodies also advocate having documents digitized that meet the guidelines and easy search and retrieval.

WeP's unique offering will help the Airline Company to have better control of the records in an economical way and also increase their operational efficiency while being compliant and sure of overcoming technological obsolescence through PDF/A.

### Retail Printing Solutions

The Indian retail industry is one of the fastest growing markets in the world. India is the 5th largest preferred retail destination globally. The sector is experiencing exponential growth, with retail development taking place not just in major cities and metros, but also in Tier-II and Tier-III cities. Healthy economic growth, changing demographic profile, increasing disposable incomes, changing consumer tastes and preferences are other factors driving growth in the retail market in India. Increasing participation from foreign and private players has given a boost to the retail infrastructure.

India had the highest number of retail outlets in the world at over 13 million retail outlets in 2014. It also has the highest number of outlets (11,903) per million inhabitants. The various major retail formats in India include Departmental Stores, Hypermarkets, Supermarkets / Convenience Stores, Speciality Stores, Food & Grocery Outlets and Cash & Carry Stores.

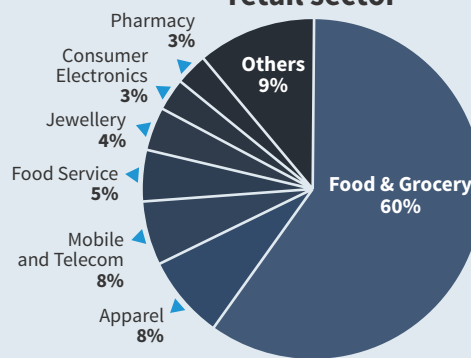
The organised sector retail outlets account for less than 15% of retail outlets. Thus unorganised retail outlets offers immense opportunity for providing unique Indian technological Retail solution for unique Indian

## India's Retail Market

HOW THE SECTOR IS DIVIDED

Sectors	No. of Outlets
Food & Grocery	930,000
Jewellery	675,000
Pharma	750,000
Textile and Apparels	1,650,000
Consumer Electronics and Telecom	675,000

### The \$500 billion retail sector





requirements. In this sector Information Technology penetration is currently less than 10% and is largely confined to 'Rich' outlets. WeP has innovated and developed Retail Product Solution through an integrated low cost device category called 'Retail Billing Printer' (RBP). We are one of the few players in the segment with a Product which is developed and 'made in India'. In this Indian product category, we lead the market with following strengths.

- Leading Market Share of 40% (from among the low end Indian Retail 'POS' market).
- Strong Brand value and acceptability in the geographical market where we operate.
- Range of products to address various segments in the market.
- Onsite support system with more than 100 service centers across India.
- Dedicated Sales, Marketing and R&D team.
- Strong channel network of more than 100 sales partners.

During the coming years, we will maintain our momentum of growth by launching new products, investing in sales and marketing and by increasing our geographical reach to cover more states and new channels of sales.

### Printer Business

WeP Printer Business unit has 4 main products in its portfolio, Dot Matrix Printers, Line Matrix Printers, POS printers and Laser Printers. Printer Business unit also sells consumables for these respective printers. WeP's product business in 2014-15 witnessed a resurgence with our Line Matrix Printer business which delivered a growth over the previous year due to large deals in the banking sector. Line matrix printers ended up as our largest selling product in our portfolio. WeP dot matrix printers contributed 29% of our business with sales primarily from banking, government, SMB and retail. Our consumables (after market) business contributed 23% of our business with growth from our line matrix printer ribbons. POS printers contributed 10% of our product sales and grew significantly more than the market growth rate. We introduced new range of Pantum laser printers in India as an exclusive distributor. We had our first corporate orders from the banking and manufacturing segments during the year.

WeP's customer base has traditionally been the banking, government, small and medium business (smb) and manufacturing segments. These continue to comprise the 4 largest segments of our business in 2014-15. We had some large deals from the banking space in line matrix printers which boosted the vertical for WeP. In the government vertical, we also had a large project for line matrix printers. Our manufacturing client base continues to give us regular business for our line matrix and dot matrix printers. The composition of our retail customers in Printer Business Unit (PBU) increased to an increasingly significant 6% due to the growth of WeP POS printers. This retail market will continue to grow in the coming quarters and years and we will cater to this market with our WeP POS printers. Over last three years, we have de-grown in this segment. Considering these changes, our sales are likely to decline further in coming years in this segment of business.

## Directors' Report

Dear Members,

Your Directors are pleased to present the Company's 20th Annual Report on business and operations of the Company, together with the audited accounts for the financial year ended March 31, 2015.

### Financial Highlights

The highlights of the financial performance of the company are as follows:

(₹ in Lakhs)

Particulars	For the year ended 31st March 2015	For the year ended 31st March 2014
Revenue from Operations	10,417.66	11,608.48
Other Income	53.22	101.81
<b>Total Revenue</b>	<b>10,470.88</b>	<b>11,710.29</b>
<b>Profit Before Depreciation, Interest and Taxes</b>	<b>1,050.87</b>	<b>1,213.39</b>
Finance Cost	176.70	204.41
Depreciation and Amortisation	650.37	726.83
<b>Profit Before Tax</b>	<b>223.80</b>	<b>282.15</b>
Provision for Tax	65.71	73.38
<b>Profit /(loss) for the Year</b>	<b>158.09</b>	<b>208.77</b>
Earnings Per Share (Equity Share par value Rs. 10/-each) Basic / Diluted (Rs. Per Share)	0.69	0.91

### Dividend and Reserves

During the year under review, your Directors wish to propose Dividend of 5% for the financial year 2014-15 (amounting to Re.0.50 (Fifty Paise) per equity share of Rs. 10/- each fully paid). The Board recommends same for approval of the Shareholders in the ensuing Annual General Meeting.

The Dividend will be paid to the members whose names appear in the register of members as on 21st August, 2015. The due date for transfer of unpaid dividend to Investor Education and Protection Fund (IEPF) for last year is given in the Corporate Governance Report. Shareholders who have not encashed their Dividend Warrants are requested to have them revalidated and encashed to avoid transfer to IEPF.

During the year under review, no amount was transferred to General Reserve.

### Material Changes and Commitments

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial statements to which this financial statements relate on the date of this report.

### Conservation of Energy, Technology Absorption and Foreign Exchange Earnings / Outgo

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134(3) (m) of the Companies Act 2013 read with rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in **Annexure - I** and is attached to this report.

### Corporate Governance

Pursuant to Clause 49 of the Listing Agreement with Bombay Stock Exchange, your company adheres to all the Corporate Governance Code as prescribed by the Bombay Stock Exchange and Securities and Exchange Board of India (SEBI). A detailed Corporate Governance Report forms part of this Annual Report. A certificate from Practicing Company Secretary regarding Compliance of the conditions of Corporate Governance as stipulated by Clause 49 of the Listing Agreement is attached to this report.

**Number of Meetings of the Board**

The Board met five times during the Financial Year, the details of which are given in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between any two meetings was within the period prescribed by the Companies Act 2013.

**Extract of Annual Return**

The details forming part of the extract of the Annual Return in **Form MGT - 9**, as required under Section 92(3) of the Companies Act, 2013 is included in this report as **Annexure - II** and forms an integral part of this report.

**Credit Rating**

During the year under review the Company has sustained its Long Term Credit Rating of BWR Triple B Minus (BWR BBB-) (Stable). The moderate credit rating of Triple B Minus (BBB-) awarded by Brickwork Ratings India Private Limited reflects the moderate degree of safety regarding timely servicing of financial obligations. The Company's short term credit rated as BWR A3 by Brickwork Ratings India Private Limited, has also been reaffirmed.

**Corporate Social Responsibility Initiatives**

Provisions relating to Corporate Social Responsibility Initiatives are not applicable to your company. Hence your company has not initiated any action thereon.

**Management Discussion and Analysis Report**

Management Discussion and Analysis Report for the year under review as stipulated under Clause 49 of the Listing Agreement with the Bombay Stock Exchange is presented in a separate section forming part of this Annual Report.

**Subsidiary Company**

As on 31st March 2015, company has no subsidiary/subsidiaries within the meaning of the Companies Act 2013. Hence requirement of reporting the statement and other statutory financial statements of a subsidiary does not arise. Further there are no associate companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act").

**Public Deposit**

The Company has not accepted any deposits from the Public within the meaning of Section 73 of the Companies Act 2013 for the year ended 31st March, 2015.

**Directors' Responsibility Statement**

Pursuant to the requirements under Section 134(5) of Companies Act 2013 with respect to the Directors' Responsibility Statement, it is hereby confirmed that:

- a) In the preparation of the annual accounts for the Financial Year 2014-15, the applicable accounting standards had been followed and there are no material departures;
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) The Directors had prepared the annual accounts on a going concern basis;
- e) The Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## Directors' Report

### **Board of Directors**

Company's Policy relating to appointment/re-appointment of Directors, Payment of Managerial Remuneration, Induction, Performance Evaluation and other related matters are as mentioned below:

#### **A. Inductions**

At the 19th Annual General Meeting held on 23rd September, 2014, Shareholders approved appointment of Mythily Ramesh as an Independent Director on the Board. We thank the Shareholders for their support in confirming Mythily Ramesh's appointment at the Annual General Meeting held on 23rd September, 2014.

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Rule 8 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Articles of Association of the Company, Ram N Agarwal has been appointed as Chairman and Managing Director of the Company with effect from 16th February, 2015 by the Board of Directors at their meeting held on 14th February, 2015 on the recommendation of the Nomination and Compensation Committee. A separate resolution seeking members approval for confirmation of his appointment has been included in the Notice of the 20th Annual General Meeting of the Company along with his brief profile.

Prashee Agarwal has been appointed as an Additional Director with effect from 18th May, 2015, based on the recommendation of the Nomination and Compensation Committee. Pursuant to Section 161(1) of the Companies Act 2013, Prashee Agarwal will hold office upto the date of ensuing Annual General Meeting (AGM) of the Company and is eligible for appointment as Director. Board recommends her appointment and accordingly resolution seeking approval of members for her appointment has been included in the Notice of the 20th Annual General Meeting of the Company along with her brief profile.

#### **B. Re-appointment**

Pursuant to Sections 149, 152 and other applicable provisions, if any, of the Companies Act 2013, one third of such of the Directors as are liable to retire by rotation, shall retire every year and, if eligible, offer themselves for re-appointment at every Annual General Meeting. Consequently Dr. A L Rao, Non Executive Director will retire by rotation at the ensuing Annual General Meeting, and being eligible, offers himself for re-appointment in accordance with the provisions of the Companies Act 2013.

Section 149(6) of the Companies Act 2013 provides for appointment of Independent Directors. Section 149(10) of the Companies Act 2013 provides that Independent Directors shall hold office for a term of upto five consecutive years on the Board of a Company and shall be eligible for re-appointment on passing resolution by shareholders of the Company.

At the 19th Annual General Meeting held on 23rd September, 2014, company re-appointed H V Gowthama, Sudhir Prakash and appointed Mythily Ramesh as Independent Directors. Shankar Jaganathan completes a term of five consecutive years and it is proposed to re-appoint Shankar Jaganathan as an Independent Director for a further term of five consecutive years, subject to approval of members at the 20th Annual General Meeting of the Company.

Further, according to Section 149(11), no Independent Director shall be eligible for appointment for more than two consecutive terms of five years. Section 149(13) states that the provisions of retirement by rotation as defined in section 152 (6) and (7) shall not apply to the Independent Directors.

The Company has received declaration from all the Independent Directors of the Company confirming that they meet the criteria of 'Independence' as prescribed both under Section 149(6) of Companies Act 2013 and under Clause 49 of the Listing Agreement signed with the Bombay Stock Exchange Limited (BSE).



**C. Resignation**

P K Gopalakrishnan, Managing Director, resigned from the services of the Company effective from 1st January, 2015. The Board places on record its appreciation for the services rendered by P K Gopalakrishnan during his tenure with the Company.

**D. Performance Evaluation of Director**

Pursuant to the provisions of the Companies Act 2013 and Clause 49 of the Listing Agreement, performance evaluation of the Board, its Committees and individual Directors was conducted. A separate meeting of the Independent Directors was convened, which reviewed the performance of the Board as a whole, the Non-Independent Directors and the Chairman of the Company against the objectives set at the beginning of the year.

**E. Committees of the Board**

During the year under review, the Board of Directors of your Company reconstituted the Committees of the Board. The details of the powers, functions, composition and meetings of the Committees of the Board held during the year are given in the Report on Corporate Governance section forming part of this Annual Report.

**F. Independent Directors' Declaration**

Independent Directors have submitted a declaration that each of them meets the criteria of independence as provided in Section 149(6) and Clause 49 of the Listing Agreement. Further, there has been no change in the circumstances which may affect their status as Independent Director during the year under review.

**Relationship between the Directors Inter-se**

None of the Directors are related with each other within the meaning of the term "relative" as per Section 2(77) of the Companies Act, 2013 and Clause 49 (VIII)(E)(2) of the revised Listing Agreement except Prashee Agarwal, whose confirmation of appointment is sought. Prashee Agarwal is the daughter of Ram N Agarwal, Chairman and Managing Director of the company.

**Particulars of Loans, Guarantees and Investments**

Your company has not provided Loans, Guarantees and has not made any Investments under Section 186 of the Companies Act 2013 during the Financial Year 2014-15.

**Statutory Auditors and their Report**

Pursuant to the provisions of Section 139 of the Companies Act 2013 and rules framed thereunder, M/s. N M Raiji & Co, Chartered Accountants, Mumbai (Firm Registration Number: 108296W) were appointed as the Statutory Auditors of the Company in the 19th Annual General Meeting of the Company until the conclusion of 21st Annual General Meeting, subject to ratification of their appointment at every Annual General Meeting. As required under the provisions of Section 139 of the Companies Act 2013, the company has obtained written confirmation from M/s N M Raiji & Co, Chartered Accountants, Mumbai that their appointment, if made would be in conformity with the limits specified in the said section.

The Observations of the Auditor, together with notes to accounts referred to in the Auditor's Report are self explanatory and do not call any further explanation from the Directors.

**Cost Auditors**

M/s. Rao, Murthy and Associates, Cost Accountants, Bangalore have been appointed as Cost Auditors for the Financial Year 2015-16 by the Audit Committee to conduct Audit of Cost Accounting Records maintained by the Company, in respect of various products/services as prescribed under Cost Audit Rules, 2011.

The Board of Directors, on the recommendation of the Audit Committee, has appointed M/s. Rao, Murthy and Associates, Cost Accountants, Bangalore as the Cost Auditor to audit the Cost Accounts of the Company for the Financial Year 2015-16 at a remuneration of Rs. 1,50,000/- plus service tax as applicable and reimbursement of out of

## Directors' Report

pocket expenses. As required under the Companies Act 2013, a resolution seeking member's approval for the remuneration payable forms part of the Notice convening the 20th Annual General Meeting.

The Cost Audit Report for the Financial Year 2014-15, in respect of the various products/services prescribed under Cost Audit Rules, 2011 shall be filed with MCA as per the requirements of applicable laws.

### **Secretarial Auditors**

Pursuant to the provision of Section 204 of the Companies Act 2013 and rules made there under, the Company has appointed S Kannan, Practicing Company Secretary, Bangalore (C.P. No. 13016) as the Secretarial Auditor of the Company to conduct the Secretarial Audit as prescribed under Section 204 of the Companies Act 2013. The Secretarial Audit Report for the Financial Year ended 31st March, 2015 in **Form MR 3** is presented in **Annexure - III** attached to this report.

### **Policies of Company**

Your Company has posted the below mentioned policies on its website [www.wepsolutions.co.in](http://www.wepsolutions.co.in) under the heading 'Investor Corner'.

1. Code of Conduct for Directors and Senior Management Personnel
2. Whistle Blower's Policy
3. Anti - Sexual Harassment Policy
4. Related Party Transaction Policy
5. Compensation Policy
6. Internal Code for Prevention of Insider Trading
7. Risk Management Policy

### **Research and Development**

WeP has dedicated Research & Development team focused on Retail, Printer and Application specific printer products solutions. WeP R&D has complete in-house facility for executing projects from concept to product involving various engineering domains like Electro-magnetics, Power Electronics, Thermal and Vibration. WeP with 18 years of rich experience in design and development of mechatronics products has delivered 320 varieties of products. WeP design team has delivered products deals with dynamics of mechanical components and its behavioral study with electronics for all extreme conditions and adherence to the International Standards and Certifications. R&D team has executed several application specific printer projects for Voting Machine, Petrol bunk, Retail automation, Pharmacy and Dairy segments.

### **Internal Control System and Their Adequacy**

The Company has proper and adequate internal control system, which ensures that all assets are safeguarded and protected and that the transactions are authorized, recorded and reported correctly. M/s Gnanoba & Bhat, Chartered Accountants, Bangalore have been re-appointed as the Internal Auditors for the Financial Year 2015-16 by the Board on the recommendation of the Audit Committee to oversee and carry out Internal Audit activities. The audit is based on an internal audit plan, which is reviewed each year in consultation with the Audit Committee.

The Internal Auditors independently evaluate the adequacy of internal controls and concurrently audit the majority of the transactions in value terms. Independence of the Audit and Compliance is ensured by direct reporting of Internal Auditor to the Audit Committee of the Board.



### Employee Stock Option Plan

During the year the company has granted 254,000 ESOP option to its employees under the ESOP Scheme 2011. As required under the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, the applicable disclosures as on 31st March, 2015 are as tabulated below:

Options at the beginning of the period (1st April 2014)	96,000
Options granted during the period	254,000
Price Per Share (Rs.)	10
Pricing Policy	Face Value
Options Vested	57,600
Options Lapsed	45,000
Options available for exercise	30,600
Options Exercised	NIL
Total number of Shares arising as a result of exercise of Options	NIL
Variations of terms of Options	NIL
Money realized by exercise of Options	NIL
Total number of Options in force	305,000

### Related Party Transactions

All transactions entered with Related Parties for the year under review were on 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. Further, there are no material related party transactions during the year under review with the Promoters, Directors and Key Managerial Personnel. Related Party Transactions are placed before the Audit Committee and the Board for review and approval. **Form AOC 2** pursuant to clause (h) of Section 134(3) of the Companies Act 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014 is furnished in **Annexure - IV** and is attached to this report.

### Vigil Mechanism / Whistle Blower Policy

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The Company has a Whistle Blower Policy under which the employees are free to report to the management instances of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethical policy. Employees may also report illegal or unethical behavior to the Chairman of Audit Committee. During the year under review, no employee was denied access to the Audit Committee. During the Financial Year 2014-15, Company has received one complaint. Complaint received has been disposed of after taking appropriate action and no complaint remain pending as on 31st March, 2015.

### Anti-Sexual Harassment Policy

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment of women at workplace and to provide a platform for redressal of complaints and grievances against sexual harassment. During the Financial Year 2014-15, Company has not received any complaint on sexual harassment.

### Significant and Material Orders Passed by the Regulators or Courts

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

### Particulars of Employees

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, shall be provided on request. The Company is not having any employee drawing remuneration exceeding the limits as specified under the

## Directors' Report

Companies Act 2013. The applicable disclosures as on 31st March, 2015 pursuant to the provisions of Companies Act 2013 is furnished in **Annexure - V** and is attached to this report.

### **Depository System**

The Company's shares are tradable compulsorily in electronic mode. In India there are two depositories i.e. National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL). To facilitate trading in DEMAT form, Company have established connectivity with both the depositories. Currently about 95.85% of the Paid up Capital is held in electronic mode.

### **Human Resources**

The Company's HR Policy is to build a high performing organization, by motivating each individual to contribute to the achievement of the departmental as well as Company's goals. There is effective performance management system to monitor the performance levels and reward as appropriate. Your Directors take this opportunity to record their appreciation for the contribution of all employees of your company during the year.

### **Industrial Relations**

Your company maintained healthy, cordial and harmonious industrial relations at all the levels. The enthusiasm and efforts of employees have enabled the Company to remain at the leadership position in the industry. It has taken various steps to improve productivity across organization.

### **Green Initiative**

Ministry of Corporate Affairs ("MCA") has announced "Green Initiative in Corporate Governance" by allowing paperless compliances by companies vide circular dated April 21, 2011 stating that a Company is in compliance with Section 20 of the Companies Act 2013, if the service of documents has been made through electronic mode.

Electronic Copies of the Annual Report 2014-15 and the Notice of 20th Annual General Meeting are sent to the members whose e-mail addresses are registered with Depository Participant(s). For members who have not registered their e-mail addresses, physical copies of the Annual Report 2014-15 and the Notice of 20th Annual General Meeting are sent in the permitted mode. Members requiring physical copies can send a request to the Company.

### **Acknowledgments**

Your Directors thank all the Shareholders for the continued confidence and trust placed by them in the Company. The Directors sincerely appreciate the high degree of professionalism, commitment and dedication displayed by employees at all levels.

Your Directors record their sincere appreciation to the Central and State Governments, banks, institutions, stakeholders and business associates for their whole-hearted support and co-operation.

**For and on Behalf of the Board of Directors**

Place: Bangalore  
Date: 25th July, 2015

**Ram N Agarwal**  
**Chairman and Managing Director**

## Annexure - I

### Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:

The Particulars of technology absorption and foreign exchange earnings and outgo, as per Section 134(3) (m) of the Companies Act 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended 31st March, 2015 is given below and forms part of the Directors' Report.

#### A. Conservation of Energy:

The company's operations are energy intensive. However, significant measures are taken to reduce the energy consumption by using energy-efficient equipments. Conservation of energy is always on the "To Do" list at all levels of operations. Efforts are made in this direction on a continuous basis. The requirement of disclosure of particulars in this respect as prescribed to be furnished in **Form A (rule 2)** is not applicable and hence not provided. However, the company has taken the following adequate measures to conserve the energy:

- Localized lighting in place of community lighting.
- Employees are habituated to switch off fans, lights during the lunch break and at close of office hours.
- Energy efficient and battery operated product releases.
- New design mandatory compliance for low power and energy star compliance.

#### B. Technology Absorption:

Efforts made in Technology absorption is stated as per **Form B** given below:

#### FORM B (Rule 2)

##### 1. Research and Development (R&D)

##### a. Specific Areas in which R & D activity is carried out by the Company:

- Design & Development of Printers and Retail Billing Solutions.
- Product Engineering Services for Application specific printers and electromechanical systems.
- PCB Design for Analog / Digital and mixed signal.
- GD & T/ CAD/ CAM/ CAE
- Application specific thermal printer development.
- Universal Magnetic path design for next generation print head design.
- Ethernet, GSM / GPRS for remote management of printers.
- Communication protocols Serial, Parallel, USB.
- Retail F&B Software design and development for Win CE and Android ICS Operating system.
- Design & Development of ASIC / FPGA / SOC based systems.
- Design compliance for EMI-EMC, ROHS & Energy Star.

##### b. Benefits derived as a result of above R & D:

- High Speed printer release with Ethernet, Parallel and USB interfaces.
- Self reliance in print head design and development for Dot Matrix Printers. All in-house captive requirements are met with our own Print Heads.
- Retail product variants design and development based on thermal and impact platform.
- Retail solutions for Application specific requirements like Dairy society, Pharmacy and F&B.
- Retail central Server and Client product solutions for multiple location chain shops.
- F&B software release for Android OS

## Directors' Report

- Application specific printers design and manufacturing for voting machine and Petrol dispenser Retail automation.

### c. Future Plan of action:

- Expansion of Retail Products range and solutions with augmentation of features.
- Expansion of GPRS, Ethernet connectivity application devices.
- Retail Solutions for Billing machine and Smart phone connectivity.
- Retail Smart solutions for service application model.
- POS System development for MicroATM and UID applications.
- Application specific printers for kiosk, Petrol dispenser and ATM.

### 2. Expenditure on R & D:

Expenditure	:	₹ 2.20Mn
R & D Expenditure as % of total turnover	:	0.21%

### 3. Technology absorption, adaptation and innovation:

#### i. Efforts in brief made towards technology absorption, adaptation and innovation:-

Technology demonstrations in the following areas were made towards absorption, adoption and innovation.

- Ethernet, GSM/GPRS Communication for remote management of printers.
- Thermal Printer technology absorption for retail applications.
- Retail Product Solutions for F&B, Wholesale, Pharmacy and Dairy Societies
- Embedded system optimization for easy configurability and usability of retail products.
- Adoption of variability and tolerance analysis for high precision parts design.

#### ii. Benefit derived as a result of above efforts:-

How to deliver Tech Fantasy products to our customers and consumers?

At R&D that is our primary challenge and motivation today. Inspired by trends and the consumers' latent desires, we are proactively re-fashioning our R & D outlook to deliver consumer sensitivity in our product design and development. We have a dedicated Research & Development team focusing on Retail product solutions and Application specific printers.

Due to technology absorption and development, we are placing ourselves in a better position to deliver on our new customer promise of "TECH FANTASY". Also these research and Technology explorations will enable "Wow!" elements to customer in each delivery of the products.

#### ii. In case of imported technology (imported during the last five years reckoned from the beginning of the financial year) following information be furnished: NA

### C. Foreign Exchange Earnings and Outgo:

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflow:

(₹ in '000)

Particulars	For the year ended 31st March, 2015	For the year ended 31st March, 2014
Foreign Exchange Earnings	NIL	7,715.65
Foreign Exchange Outgo	301,120.96	341,898.79

## Annexure - II

## Form MGT – 9

Extract of Annual Return as on the Financial Year ended on 31st March 2015

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies  
(Management and Administration) Rules, 2014]

## I. REGISTRATION AND OTHER DETAILS:

1	CIN	L72200KA1995PLC025617
2	Registration Date	1st March, 1995
3	Name of the Company	WeP Solutions Limited
4	Category / Sub-Category of the Company	<b>Category:</b> Company Limited by Shares <b>Sub-Category:</b> Indian Non – Government Company.
5	Address of the Registered Office and Contact details	<b>Address:</b> 40/1A, Basappa Complex, Lavelle Road, Bangalore 560 001, Karnataka State <b>Contact Details:</b> a) <b>Telephone :</b> 080 - 66112000 b) <b>Email :</b> investor@wepsol.in
6	Whether Listed Company (Yes/No)	Yes, Listed on Bombay Stock Exchange (BSE)
7	Name, Address and Contact Details of Registrar and Transfer Agent, if any	<b>Name:</b> Cameo Corporate Services Limited <b>Address:</b> #1, Subramanian Building, Club House Road, Anna Salai, Chennai – 600 002. Tamil Nadu State <b>Contact Details:</b> a) <b>Telephone :</b> 044 - 28460390 b) <b>Email :</b> investor@cameoindia.com

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

*(All the business activities contributing 10% or more of the turnover of the Company shall be stated)*

Sl. No.	Name and Description of main product / services	NIC Code of the product / services	% to total turnover of the Company
1	Manufacturing and Distribution of Computer Peripherals	3670	64.46
2	Managed Printing and Document Services	3670	35.54

## Directors' Report

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	Name and address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
Not applicable					

### IV. SHAREHOLDING PATTERN:

*(Equity Share Capital breakup as percentage of Total Equity)*

i. Category-wise Shareholding:

A	Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2014)				No. of Shares held at the end of the year (31.03.2015)				% Change during the year
		DEMAT	Physical	Total	% of Total Shares	DEMAT	Physical	Total	% of Total Shares	
1	<b>Promoters</b>									
	<b>Indian</b>									
	a) Individual / HUF	3656949	0	3656949	15.89	3667149	0	3667149	15.94	0.05
	b) Central Government	0	0	0	0.00	0	0	0	0.00	0.00
	c) State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
	d) Bodies Corporate	5353303	0	5353303	23.27	6123567	0	6123567	26.62	3.35
	e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
	f) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-total (A) (1)</b>	<b>9010252</b>	<b>0</b>	<b>9010252</b>	<b>39.16</b>	<b>9790716</b>	<b>0</b>	<b>9790716</b>	<b>42.56</b>	<b>3.40</b>
2	<b>Foreign</b>									
	a) NRI- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
	b) Other - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
	c) Bodies Corporates	0	0	0	0.00	0	0	0	0.00	0.00
	d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
	e) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-total (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
	<b>Total Shareholding of Promoter (A) = (A)(1) + (A)(2)</b>	<b>9010252</b>	<b>0</b>	<b>9010252</b>	<b>39.16</b>	<b>9790716</b>	<b>0</b>	<b>9790716</b>	<b>42.56</b>	<b>3.40</b>



B	Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2014)				No. of Shares held at the end of the year (31.03.2015)				% Change during the year
		DEMAT	Physical	Total	% of Total Shares	DEMAT	Physical	Total	% of Total Shares	
	<b>Public Shareholding</b>									
1	<b>Institutions</b>									
	a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
	b) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
	c) Central Government	0	0	0	0.00	0	0	0	0.00	0.00
	d) State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
	e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
	f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
	g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
	h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
	i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-total (B) (1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
2	<b>Non - Institutions</b>									
	a) Bodies Corporate									
	(i) Indian	2420260	40000	2460260	10.70	2315385	40000	2355385	10.24	-0.46
	(ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
	b) Individuals									
	(i) Individual Shareholders holding nominal share capital upto Rs. 1 Lakh	2956620	653236	3609856	15.70	3115262	650929	3766191	16.37	0.67
	(ii) Individual Shareholders holding nominal share capital in excess of Rs. 1 Lakh	5997038	142292	6139330	26.69	5902211	142292	6044503	26.28	-0.41
	c) Others (specify)									
	(i) Clearing Members	3411	0	3411	0.01	1237	0	1237	0.01	0.00
	(ii) Hindu Undivided Families	77597	100	77697	0.34	126209	100	126309	0.55	0.21

## Directors' Report

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2014)				No. of Shares held at the end of the year (31.03.2015)				% Change during the year
	DEMAT	Physical	Total	% of Total Shares	DEMAT	Physical	Total	% of Total Shares	
(iii) Non Resident Indians	842627	120082	962709	4.18	798948	120082	919030	4.00	-0.18
(iv) Trusts	739957	0	739957	3.22	0	101	101	0.00	-3.22
<b>Sub-total (B) (2)</b>	<b>13037510</b>	<b>955710</b>	<b>13993220</b>	<b>60.84</b>	<b>12259252</b>	<b>953504</b>	<b>13212756</b>	<b>57.44</b>	<b>-3.40</b>
<b>Total Public Shareholding (B) = (B)(1) + (B)(2)</b>	<b>13037510</b>	<b>955710</b>	<b>13993220</b>	<b>60.84</b>	<b>12259252</b>	<b>953504</b>	<b>13212756</b>	<b>57.44</b>	<b>-3.40</b>
Shares held by Custodian for GDRs and ADRs	0	0	0	0.00	0	0	0	0.00	0.00
<b>Grand Total (A+B+C)</b>	<b>22047762</b>	<b>955710</b>	<b>23003472</b>	<b>100.00</b>	<b>22049968</b>	<b>953504</b>	<b>23003472</b>	<b>100.00</b>	<b>0.00</b>

### ii. Promoters Shareholding:

Sl. No.	Shareholders Name	Shareholding at the beginning of the year (01.04.2014)			Shareholding at the end of the year (31.03.2015)			% Change in Shareholding during the year
		Number of Shares	% of Total Shares of the Company	% of Shares Pledged/ Encumbered to Total Shares	Number of Shares	% of Total Shares of the Company	% of Shares Pledged/ Encumbered to Total Shares	
1	RNAWEP Investments Private Limited	3228309	14.03	0.00	3248109	14.12	0.00	0.09
2	WeP Peripherals Limited	2124994	9.24	0.00	2124994	9.24	0.00	0.00
3	wep solutions india limited	0	0	0.00	750464	3.26	0.00	3.26
4	Ram N Agarwal	2162814	9.40	0.00	2173014	9.45	0.00	0.05
5	Sarita Agarwal	121568	0.53	0.00	121568	0.53	0.00	0.00
6	Suman Jain	340525	1.48	0.00	340525	1.48	0.00	0.00
7	Ram Narayan Agarwal	1032042	4.49	0.00	1032042	4.49	0.00	0.00
<b>Total</b>		<b>9010252</b>	<b>39.16</b>	<b>0.00</b>	<b>9790716</b>	<b>42.56</b>	<b>0.00</b>	<b>3.40</b>

## iii. Change in Promoters' Shareholding:

Sl. No.	Particulars	Shareholding at the beginning of the year (01.04.2014)		Cumulative Shareholding during the year	
		Number of Shares	% of Total Shares of the Company	Number of Shares	% of Total Shares of the Company
<b>1</b>	<b>RNAWEP Investments Private Limited</b>				
	At the beginning of the year	3,228,309	14.03	3,228,309	14.03
	Purchase on 19th May, 2014	7,000	0.03	3,235,309	14.06
	Purchase on 20th May, 2014	1,000	0.00	3,236,309	14.06
	Purchase on 29th May, 2014	11,800	0.06	3,248,109	14.12
	<b>At the end of the year</b>			<b>3,248,109</b>	<b>14.12</b>
<b>2</b>	<b>WeP Peripherals Limited</b>				
	At the beginning of the year	2,124,994	9.24	2,124,994	9.24
	<b>At the end of the year</b>			<b>2,124,994</b>	<b>9.24</b>
<b>3</b>	<b>wep solutions india limited</b>				
	At the beginning of the year	0	0.00	0	0.00
	Purchased on 12th December, 2014	1,000	0.00	1,000	0.00
	Purchased on 13th December, 2014	2,380	0.01	3,380	0.01
	Purchased on 16th December, 2014	2,577	0.01	5,957	0.02
	Purchased on 17th December, 2014	1,700	0.01	7,657	0.03
	Purchased on 17th December, 2014	1,650	0.01	9,307	0.04
	Purchased on 19th December, 2014	1,200	0.00	10,507	0.04
	Purchased on 19th December, 2014	739,957	3.22	750,464	3.26
	<b>At the end of the year</b>			<b>750,464</b>	<b>3.26</b>
<b>4</b>	<b>Ram N Agarwal</b>				
	At the beginning of the year	2,162,814	9.40	2,162,814	9.40
	Purchase on 28th August, 2014	10,200	0.05	2,173,014	9.45
	<b>At the end of the year</b>			<b>2,173,014</b>	<b>9.45</b>
<b>5</b>	<b>Sarita Agarwal</b>				
	At the beginning of the year	121,568	0.53	121,568	0.53
	<b>At the end of the year</b>			<b>121,568</b>	<b>0.53</b>
<b>6</b>	<b>Suman Jain</b>				
	At the beginning of the year	340,525	1.48	340,525	1.48
	<b>At the end of the year</b>			<b>340,525</b>	<b>1.48</b>
<b>7</b>	<b>Ram Narayan Agarwal</b>				
	At the beginning of the year	1,032,042	4.49	1,032,042	4.49
	<b>At the end of the year</b>			<b>1,032,042</b>	<b>4.49</b>

**iv. Shareholding Pattern of top ten Shareholders:  
(Other than Directors, Promoters and Holders of GDRs and ADRs)**

Sl. No.	Name of Shareholders	Shareholding at the beginning of the year (01.04.2014)		Cumulative Shareholding during the year	
		Number of Shares	% of Total Shares of the Company	Number of Shares	% of Total Shares of the Company
<b>1</b>	<b>Wipro Limited</b>				
	At the beginning of the year	1,836,000	7.98	1,836,000	7.98
	<b>At the end of the year</b>			<b>1,836,000</b>	<b>7.98</b>
<b>2</b>	<b>WeP Trust</b>				
	At the beginning of the year	739,957	3.22	739,957	3.22
	Sold on 19th December, 2014	739,957	3.22	0	0
	<b>At the end of the year</b>			<b>0</b>	<b>0</b>
<b>3</b>	<b>Rakesh M Bohra</b>				
	At the beginning of the year	612,857	2.66	612,857	2.66
	<b>At the end of the year</b>			<b>612,857</b>	<b>2.66</b>
<b>4</b>	<b>Deepak A Chari</b>				
	At the beginning of the year	292,898	1.27	292,898	1.27
	<b>At the end of the year</b>			<b>292,898</b>	<b>1.27</b>
<b>5</b>	<b>Sattva Developers Private Limited</b>				
	At the beginning of the year	271,774	1.18	271,774	1.18
	<b>At the end of the year</b>			<b>271,774</b>	<b>1.18</b>
<b>6</b>	<b>EVS Sai Babu</b>				
	At the beginning of the year	236,852	1.03	236,852	1.03
	<b>At the end of the year</b>			<b>236,852</b>	<b>1.03</b>
<b>7</b>	<b>Dilip Kumar Sahu</b>				
	At the beginning of the year	225,750	0.98	225,750	0.98
	Purchased on 4th April, 2014	6,191	0.03	231,941	1.01
	Purchased on 11th April, 2014	290	0.00	232,231	1.01
	Purchased on 11th July, 2014	3,600	0.02	235,831	1.03
	Purchased on 18th July, 2014	10,000	0.04	245,831	1.07
	Purchased on 25th July, 2014	5,101	0.03	250,932	1.10
	Purchased on 8th August, 2014	10,000	0.04	260,932	1.14
	Purchased on 14th August, 2014	700	0.00	261,632	1.14
	Purchased on 20th March, 2015	4,087	0.02	265,719	1.16
	<b>At the end of the year</b>			<b>265,719</b>	<b>1.16</b>
<b>8</b>	<b>Ranbir Singh</b>				
	At the beginning of the year	162,497	0.71	162,497	0.71
	<b>At the end of the year</b>			<b>162,497</b>	<b>0.71</b>

Sl. No.	Name of Shareholders	Shareholding at the beginning of the year (01.04.2014)		Cumulative Shareholding during the year	
		Number of Shares	% of Total Shares of the Company	Number of Shares	% of Total Shares of the Company
<b>9</b>	<b>Sridhar Mitta</b>				
	At the beginning of the year	158,897	0.69	158,897	0.69
	<b>At the end of the year</b>			<b>158,897</b>	<b>0.69</b>
<b>10</b>	<b>Podila Panduranga Rao</b>				
	At the beginning of the year	186,766	0.81	186,766	0.81
	Sold on 17th October, 2014	1,250	0.01	185,516	0.80
	Sold on 5th December, 2014	276	0.00	185,240	0.80
	Sold on 12th December, 2014	1,595	0.01	183,645	0.79
	Sold on 19th December, 2014	626	0.00	183,019	0.79
	Sold on 6th February, 2015	10,053	0.04	172,966	0.75
	Sold on 13th February, 2015	9,550	0.04	163,416	0.71
	Sold on 20th February, 2015	5,777	0.03	157,639	0.68
	Sold on 27th February, 2015	3,100	0.01	154,539	0.67
	Sold on 26th March, 2015	26	0.00	154,513	0.67
	<b>At the end of the year</b>	<b>154,513</b>	<b>0.67</b>	<b>154,513</b>	<b>0.67</b>

**v. Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	Name of Director / Key Managerial Personnel (KMP)	Shareholding at the beginning of the year (01.04.2014)		Cumulative Shareholding during the year	
		Number of Shares	% of Total Shares of the Company	Number of Shares	% of Total Shares of the Company
<b>1</b>	<b>Ram N Agarwal - Chairman and Managing Director</b>				
	At the beginning of the year	3,194,856	13.89	3,194,856	13.89
	Purchase on 28th August 2014	10,200	0.05	3,205,056	13.94
	<b>At the end of the year</b>			<b>3,205,056</b>	<b>13.94</b>
<b>2</b>	<b>Shankar Jaganathan - Independent Director</b>				
	At the beginning of the year	2,228	0.01	2,228	0.01
	<b>At the end of the year</b>			<b>2,228</b>	<b>0.01</b>
<b>3</b>	<b>Mythily Ramesh - Independent Director</b>				
	At the beginning of the year	14,040	0.06	14,040	0.06
	<b>At the end of the year</b>			<b>14,040</b>	<b>14,040</b>
<b>4</b>	<b>Dr. A L Rao - Non Executive Director</b>				
	At the beginning of the year	385,542	1.68	385,542	1.68
	<b>At the end of the year</b>			<b>385,542</b>	<b>1.68</b>

## Directors' Report

Sl. No.	Name of Director / Key Managerial Personnel (KMP)	Shareholding at the beginning of the year (01.04.2014)		Cumulative Shareholding during the year	
		Number of Shares	% of Total Shares of the Company	Number of Shares	% of Total Shares of the Company
<b>5</b>	<b>B R Ganesh - Small Shareholders and Independent Director</b>				
	At the beginning of the year	1,666	0.01	1,666	0.01
	<b>At the end of the year</b>			<b>1,666</b>	<b>0.01</b>
<b>6</b>	<b>Prashee Agarwal - Additional Director</b>				
	At the beginning of the year	5,181	0.02	5,181	0.02
	<b>At the end of the year</b>			<b>5,181</b>	<b>0.02</b>
<b>7</b>	<b>Sandeep Kumar Goyal - Chief Financial Officer (KMP)</b>				
	At the beginning of the year	5,028	0.02	5,028	0.02
	<b>At the end of the year</b>			<b>5,028</b>	<b>0.02</b>

### vi. Indebtness:

(in ₹)

Particulars	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial Year				
i) Principal Amount	123,395,651	NIL	NIL	123,395,651
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>	<b>123,395,651</b>	<b>NIL</b>	<b>NIL</b>	<b>123,395,651</b>
Change in indebtedness during the Financial Year				
Addition	NIL	NIL	NIL	NIL
Reduction	9,138,211	NIL	NIL	9,138,211
<b>Net Change</b>	<b>9,138,211</b>	<b>NIL</b>	<b>NIL</b>	<b>9,138,211</b>
Indebtedness at the end of the Financial Year				
i) Principal Amount	114,257,440	NIL	NIL	114,257,440
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL

## vii. Remuneration of directors and key managerial personnel:

## A. Remuneration to Managing Director, Whole Time Director and / or Manager

(in ₹)

Sl. No	Particulars of Remuneration	Name of Managing Director	
		P K Gopalakrishnan* (Managing Director)	Ram N Agarwal** (Chairman and Managing Director)
1	Gross Salary		
A	Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961	5,235,508	NIL
B	Value of perquisites u/s 17(2) of the Income -Tax Act, 1961	NIL	NIL
C	Profit in lieu of Salary u/s 17(3) of the Income - Tax Act, 1961	NIL	NIL
2	Stock Option	NIL	NIL
3	Sweat Equity	NIL	NIL
4	Commission		
a	As a % of Profit (5%)	NIL	132,608
b	Others, specify	NIL	NIL
5	Others, specify	NIL	NIL
	<b>TOTAL (A)</b>	<b>5,235,508</b>	<b>132,608</b>

Note: \*P K Gopalakrishnan Ceased to be a Director w.e.f 1st January, 2015.

\*\*Ram N Agarwal appointed as Chairman and Managing Director w.e.f 16th February, 2015

## B. Remuneration to Other Director

Sl. No	Particulars of Remuneration	H V Gowthama	Sudhir Prakash	Shankar Jaganathan	Mythily Ramesh	B R Ganesh	Total Amount (₹)
<b>(1) Non Executive Director (Independent)</b>							
1	Fees for attending Board / Committee Meetings	80,000	60,000	100,000	60,000	100,000	400,000
2	Commission	0	0	0	0	0	0
3	Others (specify)	0	0	0	0	0	0
<b>Total (1)</b>		<b>80,000</b>	<b>60,000</b>	<b>100,000</b>	<b>60,000</b>	<b>100,000</b>	<b>400,000</b>
<b>(2) Other Non-Executive Director</b>							
Sl. No	Particulars of Remuneration	G H Visweswara	Dr. A L Rao				Total Amount (₹)
1	Fees for attending Board / Committee Meetings	100,000	80,000				180,000
2	Commission	0	0				0
3	Others (specify)	0	0				0
<b>Total (2)</b>		<b>100,000</b>	<b>80,000</b>				<b>180,000</b>
<b>Total (B) = (1) + (2)</b>							<b>580,000</b>

**C. Remuneration to Key Managerial Personnel other than Managing Director / Manager / WholeTime Director**

(in ₹)

Sl. No.	Particulars of Remuneration		Key Managerial Personnel	
			Sandeep Kumar Goyal	Sujata Arvind Lele*
			Chief Financial Officer	Company Secretary
1		Gross Salary		
	a	Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961	3,051,509	141,360
	b	Value of perquisites u/s 17(2) of the Income -Tax Act, 1961	-	-
	c	Profit in lieu of Salary u/s 17(3) of the Income - Tax Act, 1961	-	-
2		Stock Option (No. of shares)	36,000	-
3		Sweat Equity	-	-
4		Commission	-	-
	a	As a % of Profit	-	-
	b	Others, specify	-	-
5		Others, specify	-	-
		<b>Total</b>	<b>3,051,509</b>	<b>141,360</b>

Note: \*Sujata Arvind Lele appointed as Company Secretary w.e.f 1st November, 2014

**viii. Penalties / Punishment / Compounding of offences:**

Sl. No	Type	Section of the Companies Act 2013	Brief Description	Details of Penalty / Punishment / Compounding Fees imposed	Authority (RD / NCLT / Court)	Appeal made, if any (give details)
<b>A</b>	<b>COMPANY</b>					
	Penalty	NIL	NIL	NIL	NIL	NIL
	Punishment	NIL	NIL	NIL	NIL	NIL
	Compounding	NIL	NIL	NIL	NIL	NIL
<b>B</b>	<b>DIRECTORS</b>					
	Penalty	NIL	NIL	NIL	NIL	NIL
	Punishment	NIL	NIL	NIL	NIL	NIL
	Compounding	NIL	NIL	NIL	NIL	NIL
<b>C</b>	<b>OTHER OFFICERS IN DEFAULT</b>					
	Penalty	NIL	NIL	NIL	NIL	NIL
	Punishment	NIL	NIL	NIL	NIL	NIL
	Compounding	NIL	NIL	NIL	NIL	NIL



**Annexure - III****SECRETARIAL AUDIT REPORT****Form MR-3****For the Financial Year ended 31st March, 2015****[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To,  
The Members,  
WeP Solutions Limited,  
40/1A, Basappa Complex, Lavelle Road, Bangalore – 560001.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and adherence to good corporate practices by WeP Solutions Limited (herein after referred to as “Company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the company has, during the audit period covering the Financial Year ended on 31st March 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on 31st March 2015 according to the provisions of:

1. The Companies Act, 2013, (the Act) and the Rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the Rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosures Requirements) Regulations, 2009;
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board Of India (Delisting of Equity Shares) Regulations, 2009; and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
6. Information Technology Act, 2000 as amended up to 31st March 2015;
7. Employees Provident Fund and Miscellaneous Provisions Act, 1952;

## Directors' Report

8. Employees State Insurance Act, 1948;
9. Environment Protection Act, 1986 and other applicable environmental laws;
10. Indian Contract Act, 1872;
11. Income Tax Act, 1961;
12. Indian Stamp Act, 1999;
13. The Factories Act, 1948 as amended by the Factories (Amendment) Act, 1987;
14. Payment of Bonus Act, 1965;
15. Payment of Gratuity Act, 1972;
16. The Trade Marks Act, 1999;

and such other applicable laws as observed during the course of audit.

I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws, Rules and Regulations to the Company. I have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI) to the extent applicable as on the date of my audit
- ii) The Listing Agreement entered into by the Company with Bombay Stock Exchange Limited;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except that certain statutory registrations as applicable locally to a few of the branches were found to be incomplete and were unavailable as on the date of the audit. However, the same were regularized subsequent to audit observations.

I further report that:

- i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- ii) Adequate notice is given to all directors to schedule the Board and other Committee Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- iii) As per the Minutes of the Meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.
- iv) There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- v) During the audit period the company has no major decisions taken by the members in pursuance to Section 180 of the Companies Act, 2013, having major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.
- vi) During the audit period, there were no instances of:
  - a) Public / Rights / Preferential issue of shares / Debentures / Sweat Equity.
  - b) Redemption / Buy Back of Securities.
  - c) Merger / Amalgamation / Reconstruction etc.,
  - d) Foreign Technical Collaborations.

**Place: Bangalore**  
**Date: 17th July, 2015**

**S. Kannan**  
**FCS: 6261**  
**CP No.: 13016**

**Annexure - IV****FORM AOC – 2****(Pursuant to Clause (h) of Section 134(3) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)**

This Form pertains to the disclosure of particulars of contract/arrangements entered into by the Company with related parties referred to in Section 188(1) of the Companies Act 2013 including certain arms length transactions under third proviso thereto.

**1. Details of contracts and arrangements or transactions not at arm's length basis:**

1	Name(s) of the related party	NIL
2	Nature of Relationship	NIL
3	Nature of contract / arrangements / transactions	NIL
4	Duration of the contracts / arrangements / transactions	NIL
5	Salient terms of the contracts / arrangement / transactions including the value, if any	NIL
6	Justification for entering into such contracts or arrangements or transactions	NIL
7	Date of approval by the Board, if any	NIL
8	Amount paid as advances, if any	NIL
9	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	NIL

**2. Details of material contracts or arrangement or transaction at arm's length basis:**

1	Name(s) of the related party	WeP Peripherals Limited
2	Nature of Relationship	Promoter Company
3	Nature of contract / arrangements / transactions	Purchase and Sale of Goods and Services
4	Duration of the contracts / arrangements / transactions	1 year
5	Salient terms of the contracts / arrangement / transactions including the value, if any	Sale of Goods and Services Rs. 1,345,296 Purchase of Goods and Services Rs. 11,068,540
6	Justification for entering into such contracts or arrangements or transactions	Sale and Purchases of Goods and Services
7	Date of approval by the Board, if any	3rd May, 2014
8	Amount paid as advances, if any	NIL

*Note: Appropriate approvals have been taken from Audit Committee for related party transactions.*

**For and on behalf of the Board of Directors**

**Place: Bangalore**  
**Date: 25th July, 2015**

**Ram N Agarwal**  
**Chairman and Managing Director**

## Annexure - V

### DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The information required under Section 197 of the Companies Act 2013 and the Rules made there-under, in respect of the employees of the company are as mentioned below:

**a) The ratio of the remuneration of each Director to the median remuneration of the employees of the company for the Financial Year 2014-15:**

Name of Directors	Title	Ratio of Median Remuneration
Ram N Agarwal*	Chairman and Managing Director	0.38
H V Gowthama	Independent Director	0.23
Sudhir Prakash	Independent Director	0.17
Shankar Jaganathan	Independent Director	0.29
Mythily Ramesh	Independent Director	0.17
G H Visweswara	Non – Executive Director	0.29
Dr. A L Rao	Non – Executive Director	0.23
B R Ganesh	Small Shareholders and Independent Director	0.29

Note: \*Part of the year.

**b) The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any in the Financial Year 2014-15:**

Name of Directors	Title	Percentage Increase in Remuneration
Ram N Agarwal	Chairman and Managing Director	NA
H V Gowthama	Independent Director	NA
Sudhir Prakash	Independent Director	NA
Shankar Jaganathan	Independent Director	NA
Mythily Ramesh	Independent Director	NA
G H Visweswara	Non – Executive Director	NA
Dr. A L Rao	Non – Executive Director	NA
B R Ganesh	Small Shareholders and Independent Director	NA
Sandeep Kumar Goyal	Chief Financial Officer	11%
Sujata Arvind Lele	Company Secretary	NA

**c) The percentage increase in the median remuneration of employees in the Financial Year 2014-15:** The median remuneration has remained same in the Financial Year 2014-15

**d) The number of permanent employees on the rolls of company in the Financial Year 2014-15:** 149

**e) The explanation on the relationship between average increase in remuneration and company performance:**  
On an average, employees received an increase of 9.7%. The increase in remuneration is in line with the market trends. In order to ensure that remuneration reflects company performance, the performance pay is linked to organisation performances.

**f) Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:**

(₹ in Lakhs)

Remuneration of Key Managerial Personnel (KMP) during the Financial Year 2014-15 (aggregated)	91.40
Revenue from Operations	10,417.66
Remuneration (as % of Revenue)	0.88
Profit Before Tax (PBT)	223.80
Remuneration (as % of PBT)	40.84

**g) Variation in the market capitalization of the Company, Price Earning Ratio as at the closing date of the current Financial Year and previous Financial Year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year:**

Particulars	Unit	As on 31st March 2015	As on 31st March 2014	Variation
Closing rate of Shares at Bombay Stock Exchange (BSE)	Rs.	13.50	7.00	92.8%
EPS (Consolidated)	Rs.	0.69	0.91	-24.17%
Market Capitalization	Rs.	3,105.47 Lakhs	1,610.24 Lakhs	92.8%
Price Earning Ratio	Ratio	19.56	7.69	154%

**h) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:** The average increase in salaries of employees other than Managerial Personnel in 2014-15 was 9.7%. There was no increase in the Managerial Remuneration during the year.

**i) Comparison of each remuneration of Key Managerial Personnel against the performance of the Company:**

(₹ in Lakhs)

Particulars	Managing Director*	Chief Financial Officer	Company Secretary
Remuneration	53.68	30.51	1.41
Revenue	10,417.66	10,417.66	10,417.66
Remuneration (as % of revenue)	0.52%	0.29%	0.01%
Profit Before Tax (PBT)	223.80	223.80	223.80
Remuneration (as % of PBT)	23.9%	13.6%	0.7%

Note: \*For both the Directors during the year.

**j) The key parameters for any variable component of remuneration availed by the Director:** The remuneration payable to the Chairman and Managing Director is based on a percentage share of profit made by the company.

**k) The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year:** NA

**l) Affirmation that the remuneration is as per the remuneration policy of the Company:** The Company affirms remuneration is as per the remuneration policy of the Company.

### Management Discussion and Analysis

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

The year 2014-15 saw volatility amidst positive factors like declining oil prices and economy showing signs of revival. Reduced inflation, falling oil prices, stable rupee and improved consumer spending have put India on the track for accelerated growth. With rising aspirations across sectors, it becomes a challenge to retain customers, skilled resources and other key partners. These challenges vary from being a competitive player, effective and efficient service provider, or an aspirational employer.

#### 2. Financial Performance

Your company's revenues come from two major lines of business - Managed Printing Solutions(MPS) Service business and the Manufacturing, Design and Distribution of Computer Peripherals Business (Printers Business).

- **Revenue:** The steps taken in the previous years to drive operational efficiency in MPS Business bore fruit this year as the revenues grew from Rs.322.9Mn in FY 2014 to Rs. 343.5Mn in FY 2015. This growth was a result of innovative and customized solutions made by your company to meet the changing needs of existing customers and emerging needs to new customers.

However, revenues in the Printers Business declined significantly during the year. The revenues dipped to Rs. 672Mn in FY 2015 from Rs.834Mn in FY 2014. This was due to de-growth in the traditional impact printer business. However, among the various product lines the Retail Printers registered a significant jump of 30% over the previous year. The growth in this segment was however insufficient to cover the degrowth in the traditional product lines. In addition to this during FY 2015, the company did not get anticipated business from the VVPAT solution which was developed and tested successfully in May 2014 elections from the machines supplied by us in FY 2014.

- **Operating Profit:** During the year the operating profit of the company declined from Rs.48.65Mn in FY 2014 to Rs.40.05Mn. Of this the major decline was in the case of Printers business where the operating profit dipped from Rs.29.97Mn to an operating loss of Rs.6.95Mn. This significant fall was however covered to a large extent by the MPS Business where the operating profit jumped from Rs.18.68Mn to Rs.47.01Mn.

While the Printers Business suffered due to fall in revenues, the MPS Business improved both on revenues and operating costs. Higher asset utilization, improving customer support and improved employee productivity were the prime reasons for the jump in the operating margin of MPS Business.

- **Net Working Capital:** The company's 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. During the year both inventory and receivables had increased over the previous year. However, this increase was set off by trade payables where the company negotiated better credit terms with its suppliers and got extended credit period. Due to this the net working capital cycle of the company improved from 104 Days in FY 2014 to 87 days in FY 2015.

### 3. Internal Control Systems and their adequacy

The Company has in place adequate internal control systems commensurate with its size and nature of its operations. These 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 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. The CFO certification provided in the Annual Report discusses about the adequacy of the our Internal Control Systems and procedures.

### 4. 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.

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. This has helped the company to promote a culture of 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. Scalable infrastructure with PAN India presence and wide geographical reach.
2. Strong Research & Development skill set to develop application specific printing devices and solutions.
3. Long standing relationships with Customers and Technology partners.
4. Empanelment with many Government Nodal Agencies

#### Weaknesses:

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

#### Opportunities

1. Demand moving up in application specific printing solutions both in Impact and Non-Impact printing area.
2. Changes in regulatory and economic environment fuelling the need for printing and Document Management Solutions.
3. Increasing number of customers looking for expert partners to manage their non-core needs vis a vis their core business.
4. Significant movement ahead by customers to look for total Document Management Solutions for their enterprises.

### Threats

1. Strict Competition from multiple players specifically from the unorganized sector forces us to cut our prices steep resulting in uneconomical operation.
2. Assets under deployment in MPS business are reaching their cycle of replacement, thereby creating a pressure on the investment plans of the company.
3. 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.
4. 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 and Mitigants

#### Foreign Exchange Risks

A good amount of Import of stocks is done in order to meet the consumables, spares and printers 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 days. This time lag is potential enough to affect the profitability of your company due to fluctuation in the currency exchange rate.

**Mitigants:** Your 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.

#### Receivable Risks

During the year, the company faced challenges in improving its receivables position. While the average number of days of sales outstanding improved, the company found a tendency in customers to delay the payments. Delays in payments impact our ability to meet our working capital requirements on time and puts pressure on our borrowings thereby increasing finance costs.

**Mitigants:** Your company is carefully monitoring and controlling the financial exposure to those customers whom it considers as credit risk. Further, the company has introduced stricter credit controls and pursuing customers to accept advance payment terms.

#### 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.



## Report On Corporate Governance

(As required by Clause 49 of the Listing Agreement with the Stock Exchange)

### Company's Philosophy on Corporate Governance

Corporate Governance refers to a combination of laws, regulations, procedures, implicit rules and good corporate practices which ensure that a company meets obligations to optimize shareholders value and fulfill its responsibilities to the community, customers, employees, Government and other segments of society. Emphasizing on transparency, empowerment, accountability and integrity are essential ethics for a good corporate citizen.

Your company is fully aware of its responsibilities towards its stakeholders and the benefits of being a good corporate citizen. Our business modules are revolving around the core values of excellence, integrity, responsibility, accountability, innovative, law abiding and empowerment.

The Company is in compliance with the requirements of the guidelines on corporate governance stipulated under Clause 49 of the Listing Agreement with the Stock Exchange.

### Board of Directors

A strong Corporate Governance is the key to business sustainability. This is overseen by the Board of Directors in respect of strategies, fairness to stakeholders, strong accounting principles and ethical corporate practices.

### Composition of the Board

As on 31st March, 2015 the Board consists of eight Directors. Besides the Chairman and Managing Director, the Board comprises of four Independent Directors, two Non – Executive Directors and one Small Shareholders and Independent Director. The composition of the Board as on 31st March, 2015 is in conformity with Clause 49 of the Listing Agreement and exceeds the percentage stipulated therein. Your Directors are eminent persons and professionals with rich experience in management, finance and law.

### Number of Meetings

- **Board Meeting:**

Minimum four prescheduled meetings are held every year. Additional meetings are held to address specific needs of the Company. In case of any exigency/emergency, resolutions are passed by circulation. During the Financial Year 2014-15 the Board of Directors met five times on 3rd May 2014, 5th August 2014, 27th October 2014, 13th November 2014 and 14th February 2015. The gap between two meetings did not exceed four months as stipulated under Clause 49 of the Listing Agreement.

- **Annual General Meeting:**

The last Annual General Meeting (AGM) of the Company was held on 23rd September, 2014. Five Directors including the Chairman of the Audit Committee and Statutory Auditor Vinay D Balse attended the Annual General Meeting.

### Directors' Attendance Record and their Other Directorships/Committee Memberships

As mandated by Clause 49 of the Listing Agreement, none of the Director is a member of more than ten Board level committees or Chairman of more than five committees across all companies in which he is a Director. Relevant details of the Board as on 31st March, 2015 are given below:

**The details of Composition, Directors' attendance and other particulars are as under:**

Name of the Director	Category	No. of Board Meetings during the year 2014-15		Whether attend the last AGM	Number of other Directorship and Committee Membership / Chairmanship		
		Held	Attended		Committee Membership	Committee Chairmanship	Other Directorships
Ram N Agarwal	Chairman and Managing Director	5	5	Yes	1	-	4
H V Gowthama	Independent Director	5	4	Yes	-	3	-
Sudhir Prakash	Independent Director	5	3	No	1	-	10
Shankar Jaganathan	Independent Director	5	5	Yes	1	-	2
Mythily Ramesh*	Independent Director	5	3	Yes	1	-	-
Dr. A L Rao	Non- Executive Director	5	4	No	-	-	3
GH Visweswara	Non- Executive Director	5	5	Yes	2	-	-
B R Ganesh	Small Shareholders and Independent Director	5	5	Yes	2	-	2

Notes: 1. Video/Tele-conferencing facilities were not used for any of the meetings.

2. \* Mythily Ramesh was appointed as an Independent Director on 23rd September, 2014 i.e. 19th Annual General Meeting (AGM).

### Selection of Independent Directors

The Board is responsible for selection of new directors. The Board delegates the screening and selection process involved in selecting new directors to the Nomination and Compensation Committee. The Nomination and Compensation Committee in turn makes recommendations to the Board on the inclusion of any new director.

The Committee inter-alia, considers qualification, positive attributes, area of expertise and number of directorships and memberships held in various committees of other companies by such person. The Board considers the Committee's recommendation, and takes appropriate decision.

Every Independent Director, at the first meeting of the Board in which he/she participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he/she meets the criteria of independence as provided in Companies Act 2013, Schedule V and Listing Agreement.

### Tenure of Independent Director

The tenure of the Independent Directors is fixed in accordance with the requirements laid down in the Companies Act 2013 and clarifications / circulars issued by the Ministry of Corporate Affairs, in this regard, from time to time.

### Code of Conduct:

The Company has adopted a Code of Business Conduct and Ethics for Board of Directors viz., all members of management one level below the Board, including all functional heads. The Code has been communicated to all the Directors and Members of Senior Management. The code has been circulated to the Directors and Management Personnel and its compliance is affirmed by them annually. The Annual report contains a declaration to this effect signed by the Managing Director.

The Company's Code of Business Conduct and Ethics has been suitably modified to include requirements laid down in Clause 49 II (E) of the Listing Agreement. The modified Code was adopted by the Board of Directors at its meeting held on 13th November, 2014. The Code is also available on the Company's website [www.wepsolutions.co.in](http://www.wepsolutions.co.in).

#### **Materially significant Related Party Transaction:**

During the year, there are no materially significant related party transactions with the company's promoters, directors, the management and their relatives that may have potential conflict with the interest of the company at large.

There were no instances of non-compliance by the company nor have any penalties, strictures been imposed on them by Stock Exchanges or SEBI or any other statutory authority during the last year on any matter related to capital market.

All the mandatory requirements specified under Clause 49 of the Listing Agreement with Stock Exchange have been complied with.

#### **Committees of the Board**

As on 31st March, 2015, the Company has three Board Level Committees:

- A. Audit Committee
- B. Nomination and Compensation Committee
- C. Shareholders/Investors' Grievance cum Share Transfer Committee

The Board is responsible for constituting, assigning, co-opting and fixing the terms of reference for members of various committees. To align with the requirements prescribed for such Board Committees under the provisions of Companies Act 2013 and the Clause 49 of the Listing Agreement, the Board of Directors amended the terms of references, wherever required of the Audit Committee, Nomination and Compensation Committee and Shareholders/Investors' Grievance cum Share Transfer Committee. During the year under review two Committees namely Shareholders/Investors' Grievance and Share Transfer Committee were merged into one committee by naming it as Shareholders/Investors' Grievance cum Share Transfer Committee.

Details on the roles and composition of these committees, including the number of meetings held during the financial year and the related attendance are mentioned below:

#### **Audit Committee**

##### **Composition of the Committee:**

As on 31st March, 2015, the Audit Committee comprises of Four Directors. Chairman of the Audit Committee is an Independent Director. During the Financial Year 2014-15, the Audit Committee meetings were held on 3rd May 2014, 5th August 2014, 13th November 2014 and 14th February 2015. The gap between any two meetings did not exceed four months.

##### **Meetings and attendance during the year are as below:**

Name of the Member	Category	Status	No. of Meetings	
			Held	Attended
H V Gowthama	Independent Director	Chairman	4	3
B R Ganesh	Small Shareholders and Independent Director	Member	4	4
Sudhir Prakash	Independent Director	Member	4	3
Shankar Jaganathan	Independent Director	Member	4	4

## Report on Corporate Governance

The Committee's composition meets the requirements of Section 177 of the Companies Act 2013 and Clause 49 of Listing Agreement. Members of Audit Committee possess financial, accounting expertise and exposure. The Chairman of the Audit Committee attended the Annual General Meeting (AGM) held on 23rd September, 2014 to answer shareholders' queries.

### **Powers of Audit Committee:**

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

### **Functions of the Audit Committee inter-alia, include the following:**

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending to the Board, the appointment, re-appointment and if required the replacement or removal of the Statutory Auditor and the fixation of Audit Fees;
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
4. Reviewing with the management, annual financial statements and auditors report thereon before submission to the Board for approval, with particular reference to;
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;
  - e. Compliance with listing and other legal requirements relating to financial statements;
  - f. Disclosure of any related party transactions;
  - g. Qualifications in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments, if any;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the Whole-Time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
21. Reviewing the following information:
  1. Management discussion and analysis of financial condition and results of operations;
  2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
  3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
  4. Internal audit reports relating to internal control weaknesses; and
  5. The appointment, removal and terms of remuneration of the Internal Auditor shall be subject to review by the Audit Committee.

## **Nomination and Compensation Committee:**

### **Composition of the Committee:**

As on 31st March, 2015, Nomination and Compensation Committee comprises of Four Directors. The Committee's constitution and terms of reference are in compliance with provisions of the Companies Act 2013 and Clause 49 of Listing Agreement. During the Financial Year 2014-15, the Nomination and Compensation Committee meetings were held on 27th October 2014, 13th November 2014 and 14th February 2015.

### **Meetings and attendance during the year are as below:**

Name of the Member	Category	Status	No. of Meetings	
			Held	Attended
H V Gowthama	Chairman	Independent Director	3	2
Ram N Agarwal	Member	Chairman and Managing Director	3	2
G H Visweswara	Member	Non Executive Director	3	3
B R Ganesh*	Member	Small Shareholders and Independent Director	3	2
Mythily Ramesh**	Member	Independent Director	3	1

Notes: \*B R Ganesh - Ceased to be a member of the Committee with effect from 13th November, 2014.

\*\* Mythily Ramesh - Appointed as a member of the Committee with effect from 13th November, 2014.

The Nomination and Compensation Committee of the Company, inter – alia, evaluates, recommends to the Board and approves the Executive Directors' compensation plans, policies and programmes of the Company. Nomination and Compensation Committee also has the responsibility for administering Employees Stock Option Plan 2011 (ESOP - 2011) of the Company. The responsibilities of the committee include:

1. To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
2. Deciding the terms and conditions of Employees Stock Option Plan (ESOP) which inter – alia, include the following:
  - Quantum of options to be granted under the Scheme per employee and in aggregate;
  - Vesting Period;
  - Conditions under which options vested in employees may lapse in case of termination of employment for misconduct;
  - Exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period;
  - Specified time period within which the employee shall exercise the vested options in the event of termination or resignation of an employee;
  - The right of an employee to exercise all options vested in him at one time or various points within the exercise period;
  - Forfeiture / Cancellation of options granted;
  - All other issues incidental to the implementation of Employees Stock Option Plan;
  - To issue grant letters;
  - To allot shares upon exercise of vested options.

### **Compensation Policy:**

The compensation paid to Executive Director of the Company is approved by the Board of Directors on the recommendations of the Nomination and Compensation Committee.

#### **1. Non Executive Directors (including Independent Directors):**

Non Executive Directors (including Independent Directors) receives compensation by way of sitting fees for attending meeting of Board or Committee thereof. Independent Directors are not entitled to stock option of the Company.

#### **2. Executive Director:**

Remuneration paid to Executive Director consists of Profit Linked Commission in accordance with the provisions of Section 197 of the Companies Act 2013, as approved by the Board and within the overall limits prescribed by the Companies Act 2013.

**Compensation paid to Directors:****a. Details of Compensation paid to Directors for the Financial Year 2014-15 are as under:**

(in ₹)

Name of the Director	Sitting Fees	Salary and Perquisites	Commission	Total	No. of Equity Shares held as on 31.3.2015
<b>Chairman and Managing Director</b>					
Ram N Agarwal*	0	0	132,608	1,32,608	3,205,056
<b>Independent Directors</b>					
H V Gowthama	80,000	0	0	80,000	-
Sudhir Prakash	60,000	0	0	60,000	-
Shankar Jaganathan	100,000	0	0	100,000	2,228
Mythily Ramesh	60,000	0	0	60,000	14,040
<b>Non - Executive Director</b>					
Dr. A L Rao	80,000	0	0	80,000	385,542
G H Visweswara	100,000	0	0	100,000	-
<b>Small Shareholders and Independent Director</b>					
B R Ganesh	100,000	0	0	100,000	1,666

**Notes:**

1. None of the above directors are eligible for any severance pay, and none of them hold any stock option as on 31st March, 2015.
2. The notice period for Directors is such period as is mutually agreed between Director and the Board.
3. During the Financial Year 2014-15, the Company did not advance any loan to any of its Directors.
4. \*Ram N Agarwal appointed as Chairman and Managing Director w.e.f 16th February, 2015. Commission paid is for the period from 16th February, 2015 to 31st March, 2015.

**b. Managing Director – P. K. Gopalakrishnan (For the period from April 2014 to December 2014)**

(in ₹)

Particulars	Amount
Remuneration to Managing Director	5,127,508
Contribution to PF and other funds	108,000

Notes: Ceased to be a Director w.e.f 1st January, 2015.

**Shareholders / Investors' Grievance cum Share Transfer Committee****Composition of the Committee:**

As on 31st March, 2015, Shareholders/Investors' Grievance cum Share Transfer Committee comprises of Three Directors. The Committee's constitution and terms of reference are in compliance with provisions of the Companies Act 2013 and Clause 49 of Listing Agreement. The Committee has the mandate to review and redress Shareholder Grievances.

The following Directors are members of the Shareholders' / Investors' Grievance Committee:

HV Gowthama - Chairman

GH Visweswara

BR Ganesh

## Report on Corporate Governance

The Committee ensures cordial investor relations with proper mechanism for redressal of investors' grievances. The committee specifically looks into redressing shareholders'/investors' complaints/grievances pertaining to share transfer, non- receipt of annual reports, non receipt of dividend and other allied complaints.

**Details of complaints received and resolved to the satisfaction of investors during the year under review and their break-up are as under:**

Nature of Complaint	Received during the Financial Year 2014-15	Disposed of during the Financial Year 2014-15	Pending as on 31st March, 2015
Non – Receipt of Annual Reports	05	05	NIL
Non – Receipt of Dividend Warrants	05	05	NIL
Dematerialization / Rematerialization of Shares	NIL	NIL	NIL
Others (Change in correspondence address, mailing id, contact details etc)	02	02	NIL

The Committee meets as and when required. The Company obtains Certificate from Share Transfer Agent on quarterly basis about the pending complaints against the company. As on 31st March, 2015 there were no complaints pending against the company.

### General Body Meeting:

**a) Details of last three general body meetings held are given below:**

Financial Year	Category	Location of the meeting	Date	Time
2013-14	Annual General Meeting	Rotary Club, Lavelle Road, Bangalore 560001	23rd September, 2014	4.00 PM
2012-13	Annual General Meeting	Conference Hall, Basappa Complex, Lavelle Road, Bangalore 560001	16th December, 2013	4.00 PM
2011-12	Annual General Meeting	Conference Hall, Basappa Complex, Lavelle Road, Bangalore 560001	21st September, 2012	4.00 PM

### b) Extra Ordinary General Meeting:

No Extraordinary General Meeting of Members was held during the year under review.

### c) Postal Ballots:

During the year under review, in pursuance of Section 110 of Companies Act 2013 read with Rule 22 of Companies (Management and Administration) Rules 2014, postal ballot was conducted (including e-voting) seeking approval of shareholders by the way of special resolution for amending the Articles of Association of the Company containing regulations in line with the Companies Act 2013.

H N Krishnamurthy, Practising Company Secretary, Bangalore was appointed as the Scrutinizer for conducting the Postal Ballot process. The result of the Postal Ballot was announced on 18th December, 2014. The result of Postal Ballot was published in Business Standard and Hostadiganta on 20th December, 2014. The result of Postal Ballot was submitted to Bombay Stock Exchange (BSE) as per the provisions of Listing Agreement.



**Result of Postal Ballot is as mentioned below:**

Particulars	No. of Postal / e-voting Ballots	No. of Votes	% of valid votes
A. Postal Ballot Forms received from the Shareholders of the Company in Physical Mode	32	62,619	
B. Postal Ballot Forms received from the Shareholders of the Company in Electronic Mode	39	13,686,198	
<b>C. Total Postal Ballot Forms received (A+B)</b>	<b>71</b>	<b>13,748,817</b>	
D. Postal Ballot forms found invalid/abstained through electronic mode	2	11,671	
E. Postal Ballot forms found invalid/abstained through physical mode	1	13	
<b>F. Total Postal Ballot Forms found invalid/abstained (D+E)</b>	<b>3</b>	<b>11,684</b>	
<b>G. Net Valid Postal Ballot Forms (C-F)</b>	<b>68</b>	<b>13,737,133</b>	
<b>H. Votes in favour of the resolution</b>	<b>67</b>	<b>13,737,065</b>	<b>99.92</b>
<b>I. Votes against the resolution</b>	<b>1</b>	<b>68</b>	<b>0.00</b>
<b>J. Invalid Votes (Invalid includes abstained from voting)</b>	<b>3</b>	<b>11,684</b>	<b>0.08</b>

The Chairman, after receiving the Scrutinizer's report announced that the special resolution as proposed in the Postal Ballot notice was duly passed with requisite majority.

**Corporate Governance Compliance Report as on 31st March, 2015 as per Clause 49 of Listing Agreement is as mentioned below:**

Particulars	Clause of Listing Agreement	Compliance Status
<b>II Board of Directors</b>	<b>49(II)</b>	
(A) Composition of Board	49(IIA)	Yes
(B) Independent Directors	49(II B)	Yes
(C) Non – Executive Directors' Compensation and Disclosures	49(II C)	Yes
(D) Other Provisions as to Board and Committees	49(II D)	Yes
(E) Code of Conduct	49(II E)	Yes
(F) Whistle Blower Policy	49(II F)	Yes
<b>III Audit Committee</b>	<b>49(III)</b>	
(A) Qualified and Independent Audit Committee	49(III A)	Yes
(B) Meeting of Audit Committee	49(III B)	Yes
(C) Powers of Audit Committee	49(III C)	Yes
(D) Role of Audit Committee	49(III D)	Yes
(E) Review of Information by Audit Committee	49(III E)	Yes

## Report on Corporate Governance

Particulars		Clause of Listing Agreement	Compliance Status
<b>IV</b>	<b>Nomination and Remuneration Committee</b>	<b>49(IV)</b>	<b>Yes</b>
<b>V</b>	<b>Subsidiary Companies</b>	<b>49(V)</b>	<b>Yes</b>
<b>VI</b>	<b>Risk Management</b>	<b>49(VI)</b>	<b>Yes</b>
<b>VII</b>	<b>Related Party Transactions</b>	<b>49(VII)</b>	<b>Yes</b>
<b>VIII</b>	<b>Disclosures</b>	<b>49(VIII)</b>	
	(A) Related Party Transactions	49(VIIIA)	Yes
	(B) Disclosure of Accounting Treatment	49(VIIIB)	Yes
	(C) Remuneration of Directors	49(VIIIC)	Yes
	(D) Management	49(VIIID)	Yes
	(E) Shareholders	49(VIIIE)	Yes
	(F) Proceeds from public issues, rights issue, preferential rights etc.	49(VIIIF)	Yes
<b>IX</b>	<b>CEO/CFO Certification</b>	<b>49(IX)</b>	<b>Yes</b>
<b>X</b>	<b>Report on Corporate Governance</b>	<b>49(X)</b>	<b>Yes</b>
<b>XI</b>	<b>Compliance</b>	<b>49(XI)</b>	<b>Yes</b>

### Disclosures:

#### Related Party Transactions Policy:

The Board of Directors of the Company has on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its related parties in compliance with applicable provisions of the Companies Act 2013, rules thereunder and Clause 49 of SEBI Listing Agreement. The Policy was considered and approved by the Board at its Meeting held on 13th November, 2014. The policy has also been uploaded on the website of the Company at [www.wepsolutions.co.in](http://www.wepsolutions.co.in)

#### Disclosure of Accounting Treatment:

The Company has followed the treatment laid down in the Accounting Standards prescribed by the Institute of Chartered Accountants of India (ICAI), in preparation of financial statements. There are no audit qualifications in the Company's financial statements for the year under review.

#### Whistle Blower Policy:

In May 2013, the Board adopted the revised Whistleblower Policy that adopts global best practices. We have established a mechanism for employees to report concerns about unethical behavior, actual or suspected fraud, or violation of our Code of Conduct and Ethics. It also provides for adequate safeguards against the victimization of employees who avail of the mechanism, and allows direct access to the Chairman of the Audit Committee in exceptional cases. We further affirm that no employee has been denied access to the Audit Committee during fiscal year 2014. The policy has also been uploaded on the website of the Company at [www.wepsolutions.co.in](http://www.wepsolutions.co.in)

#### Anti-Sexual Harassment Policy:

We recognize the rights of our employees and provide forums, support group and policies to hear and address their concerns, and resolve issues and conflicts in a fair and transparent manner. Our Anti-Sexual Harassment



Policy allows employees to report sexual harassment cases at the workplace. These cases are heard and resolved by an unbiased group. An Internal Committee looks into all the complaints of sexual harassment. The policy has also been uploaded on the website of the Company at [www.wepsolutions.co.in](http://www.wepsolutions.co.in)

### **Code of Prevention of Insider Trading Practices:**

The Company's shares are listed on the Bombay Stock Exchange Limited (BSE). With the intention of preventing insider trading in the securities of the Company, the Company has implemented an 'Insider Trading Policy' in accordance with the terms of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended. As a part of the policy, the Company's Directors and specified executives are advised of the closed periods in respect of dealing / transacting in the securities of the Company prior to the announcement of the quarterly, half-yearly and annual financial results of the Company and other price sensitive information.

### **CFO Certification:**

The CFO certification on the financial statements and the cash flow statement for the year is placed at the end of Corporate Governance Report.

### **Shareholder Information:**

#### **Means of Communication:**

The company's quarterly and annual financial results in the proforma prescribed by the stock exchanges are approved and taken on record by the Board within the prescribed time frame and sent forthwith to Bombay Stock Exchange in which the company's shares are listed. The quarterly results of the Company are published in the newspaper on the approval by the Board and also uploaded on the Company's website [www.wepsolutions.co.in](http://www.wepsolutions.co.in). The financial results are published in "Business Standard" and "Hosa Digantha" in vernacular (Kannada) newspaper.

Information about the company in general, its financial results and other information including official press releases can be accessed at the company's website [www.wepsolutions.co.in](http://www.wepsolutions.co.in)

#### **Annual Report:**

The Annual Report containing, inter-alia, Audited Annual Accounts, Directors' Report, Auditor's Report and other important information is circulated to members and others entitled thereto.

#### **The Report on Management Discussion and Analysis forms part of this Annual Report.**

#### **CFO certification forms part of this Annual Report**

#### **Auditor's Certificate on compliance of provisions of Corporate Governance forms part of this Annual Report**

#### **BSE Corporate Compliance and Listing Centre (the 'Listing Centre'):**

BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like Shareholding Pattern, Corporate Governance Report, Media releases among others are also filed electronically on the Listing Centre.

#### **SEBI Complaints Redress System (SCORES):**

The investor complaints are processed in a centralized web-based complaints redress system. The salient features of this system are centralized database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

During the year under review, one complaint was registered through Scores pertaining to non-receipt of Dividend. The same stands redressed satisfactorily.

## Report on Corporate Governance

### Compliance with Regulations:

The Company has complied with the requirements of the regulatory authorities on Capital Markets, neither has there been any instances of non-compliance by the Company on any matters related to the Capital Markets, nor has any penalty or strictures been imposed on the Company by the Stock Exchanges, SEBI or any other statutory authority, on any matter related to capital markets during last three years.

### Dividend Payment:

Final Dividend of 5% (₹ 0.50- Fifty Paise only per equity share) was paid on 26th September, 2014 for the Financial Year 2013-14.

### Dates of Transfer of Unclaimed Dividend:

By virtue of the provision laid down under the Companies Act 2013, the amount of Dividend remaining unpaid/unclaimed for the period of seven years from the date of its transfer to the Unpaid Dividend Account of the Company shall be required to be transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government. Given below is the date of declaration of Dividend and corresponding date when unpaid/unclaimed dividend are due for transfer to the IEPF.

### Dividend Declared in the past:

Financial Year	Type of Dividend	Dividend Rate	Date of Declaration	Due Date for transfer to IEPF
2013-14	Final Dividend (First Dividend)	5%	23rd September, 2014	22nd September, 2021

Members who have not encashed their Dividend Warrants are requested to have them revalidated and encashed to avoid transfer to IEPF.

### Employee Stock Option Plan

The information on Options granted by the Company during the Financial Year 2014-15 and other particulars with regard to Employee Stock Options are set out in the Directors' Report.

### General Shareholder Information:

The Company's financial year begins on 1st April and ends on 31st March of the subsequent year. Company's shares are listed on Bombay Stock Exchange (BSE). Quarterly financial results of the company are filed with the Bombay Stock Exchange within the stipulated time. The results are also published in leading financial newspapers and in a vernacular newspaper after the approval of the financials by the Audit Committee/Board. The financial results are also uploaded on the company's website ([www.wepsolutions.co.in](http://www.wepsolutions.co.in)).

Annual General Meeting	Thursday, 27th August, 2015
Time	4.00 PM.
Venue	Rotary Club, Lavelle Road, Bangalore 560 001
Book Closure Dates	21st August, 2015 to 27th August, 2015
Listing Details	Company's shares are listed on Bombay Stock Exchange (BSE). Scrip Code : 532373 Scrip Name : WEPSOLN ISIN Code : INE434B01029
Corporate Identity Number (CIN) of the Company	L72200KA1995PLC025617

**Market Price Data**

(Source: www.bseindia.com)

Month	Open	High	Low	Close	No. of Shares
Apr 14	6.66	7.59	6.38	6.38	9,438
May 14	6.25	12.45	6.10	12.45	180,442
Jun 14	12.25	12.94	10.12	10.91	105,796
Jul 14	10.71	11.10	9.90	10.20	102,718
Aug 14	10.00	12.06	8.20	12.06	167,353
Sep 14	12.66	18.24	11.86	14.28	250,931
Oct 14	14.99	23.06	14.00	15.77	302,336
Nov 14	15.80	17.00	13.90	15.00	73,881
Dec 14	15.75	19.10	13.60	16.20	823,094
Jan 15	14.60	20.90	12.60	18.05	236,231
Feb 15	21.00	21.00	13.55	14.50	182,281
Mar 15	15.90	15.90	12.20	13.50	68,755

**Registrar and Share Transfer Agents :**

WeP appointed Cameo Corporate Services Limited as its Registrar and Share Transfer Agent. Details of the Registrar and Share Transfer Agent are given below:

**Cameo Corporate Services Limited,**

“Subramanian Building” V Floor, No.1, Club House Road, Chennai – 600 002

Tel : +(91) (044) 28460390 Fax : +(91) (044) 28460129 E-mail: [investor@cameoindia.com](mailto:investor@cameoindia.com)

**Share Transfer System:**

All share transfer and other communication regarding share certificates, change of address, dividend etc., should be sent to our Registrar and Share Transfer Agents. All shares transfer is completed within statutory time limit from the date of receipt provided the documents meet the stipulated requirements of statutory provisions in all respects. The Company obtains from a Practicing Company Secretary half yearly certificate of compliance with the share transfer formalities as required under Clause 47(c) of the Listing Agreement, and files a copy of the same with Bombay Stock Exchange (BSE).

**Reconciliation of Share Capital Audit:**

Vinay B L, Practicing Company Secretary, Bangalore carries out the Reconciliation of Share Capital Audit as mandated by SEBI, and provides report on reconciliation of total issued and listed capital with that of total share capital admitted / held in dematerialized form with NSDL and CDSL and those held in physical form. The Audit is carried on quarterly basis and the report thereof is submitted to the Bombay Stock Exchange (BSE), where the Company's shares are listed and is also placed before the Board.

## Distribution of shareholdings according to number of shares held as on 31st March, 2015.

Values of Shares held (Rs.)	No. of Shareholders	% of Shareholders	Values of Shares held	% to the total paid up capital
0 - 5,000	1,779	51.00	1,789,830	0.78
5,001 - 10,000	250	7.17	1,918,640	0.83
10,001 - 20,000	564	16.17	7,054,070	3.07
20,001 - 30,000	306	8.77	6,773,990	2.94
30,001 - 40,000	88	2.52	3,040,980	1.32
40,001 - 50,000	96	2.75	4,201,340	1.83
50,001 - 100,000	213	6.11	14,630,720	6.36
100,001 - And Above	192	5.50	190,625,150	82.87
<b>TOTAL</b>	<b>3,488</b>	<b>100.00</b>	<b>230,034,720</b>	<b>100.00</b>

## Shareholding Pattern as at 31st March, 2015.

Category of Shareholder	No. of Shareholders	Total No. of shares	Total Shareholding as a percentage of total number of shares
<b>(A) SHAREHOLDING OF PROMOTER AND PROMOTER GROUP</b>			
Individuals	4	3,667,149	15.94
Bodies Corporate	3	6,123,567	26.62
<b>Total Promoters' Holding</b>	<b>7</b>	<b>9,790,716</b>	<b>42.56</b>
<b>(B) PUBLIC SHAREHOLDING</b>			
Bodies Corporate	61	2,355,385	10.24
Individuals			
I. Individuals Shareholders Holding Nominal Share Capital upto Rs. 1 lakh	3,174	3,766,191	16.36
II. Individual Shareholders Holding Nominal Share Capital in excess of Rs. 1 lakh	162	6,044,503	26.28
Clearing Members	4	1,237	0.01
Hindu Undivided Families	44	126,309	0.55
Non Residents Indians	34	919,030	4.00
Trusts	2	101	0.00
<b>Total Public Shareholding</b>	<b>3,481</b>	<b>13,212,756</b>	<b>57.44</b>
<b>Total (A)+(B)</b>	<b>3,488</b>	<b>23,003,472</b>	<b>100.00</b>

Note: Total number of shares and percentage shareholding by Non- Resident Shareholders is 919,030 and 4.00 % respectively. The Company has not issued any ADRs and GDRs. The foreign shareholding consists of holding by NRIs and other foreign national only.

### Dematerialization of Shares and Liquidity

The Company's shares are tradable compulsorily in electronic mode. In India there are two depositories i.e. National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL). To facilitate trading in DEMAT form, Company has established connectivity with both the depositories. Shareholders can open their accounts with any of the Depository Participant registered with these depositories. The International Securities Identification Number (ISIN) allotted to our shares under the Depository System is INE434B01029. As on 31st March, 2015 - **22,049,968 Equity Shares** of the company representing **95.85%** of the total subscribed capital of the company were dematerialized.

### Shares held in DEMAT and Physical mode as on 31st March, 2015 are as follows:

Category	Number of Shareholders	No. of Shares	% to total equity
<b>DEMAT Mode</b>			
a. NSDL	2,198	21,210,694	92.00
b. CDSL	533	839,274	3.65
<b>DEMAT Total (A)</b>	2,731	22,049,968	95.85
<b>Physical Mode (B)</b>	757	953,504	4.15
<b>Grand Total (A+B)</b>	3,488	23,003,472	100.00

### Consolidation of folios and avoidance of multiple mailing:

In order to enable the company to reduce cost and duplicity of efforts for providing services to the investors, members who have more than one folio in the same order of names, are requested to consolidate their holdings under one folio. Members may write to the Registrar and Share Transfer Agent indicating the folio numbers along with the original share certificates to be consolidated. To enable us to serve our investors better, we request shareholders whose shares are in physical mode to dematerialize their shares and update their bank account details with the respective depository participants.

### Service of documents through e-mail:

In terms of provisions of the Companies Act 2013, service of documents on members by a company is allowed through electronic mode. Further SEBI, vide its Circular Ref. No. CIR/CFD/2011 dated 5th October, 2011, has also directed listed companies to supply soft copies of full Annual Reports to all those shareholders who have registered their e-mail addresses for the purpose. Accordingly, the Company proposes to send documents like Shareholders Meeting notice/other notices, Audited Financial Statements, Directors' Report, Auditor's Report or any other document, to its member in electronic form at the email address as registered with the Share Transfer Agent. This will definitely help in prompt receipt of communication, reduce paper consumption and save trees as well as avoid loss of documents in transit.

Members who have not yet registered their e-mail addresses (including those who wish to change their already registered e-mail id) may get the same registered/updated with the Share Transfer Agent of the Company.

### Outstanding GDRs / ADRs / Warrants / Options

The Company has no outstanding GDRs, ADRs, Warrants or Options as on 31st March, 2015.

### Plant Locations:

- Karnataka (Mysore CWH): No.312-313, Hebbal Industrial Area, Mysore – 570016.
- Himachal Pradesh: Plot 87, EPIP, Phase I, Jharmarji, Dist: Solan, Himachal Pradesh – 174103.

## Report on Corporate Governance

### Address for Investors' Correspondence

#### A. For change of address and bank mandate:

- **In case of Shares held in dematerialised form:** Shareholder should contact their respective Depository Participant.
- **In case of Shares held in physical form:** Shareholders should contact the Company's Share Transfer Agent - Cameo Corporate Services Limited, "Subramanian Building" V Floor, No.1, Club House Road, Chennai - 600 002. Tel: +(91) (044) 28460390 ; Fax : +(91) (044) 28460129;  
E-mail : [investor@cameoindia.com](mailto:investor@cameoindia.com)

#### B. For all matters relating to investor relations contact :

Sujata Arvind Lele, Company Secretary  
WeP Solutions Limited, 40/1A Basappa Complex, Lavelle Road, Bangalore 560 001, Karnataka State.

### Compliance Certificate on Corporate Governance

To,

The Members of WeP Solutions Limited,

I have examined the relevant records of WeP Solutions Limited (the Company) for the purpose of certifying compliance of the conditions of Corporate Governance under Clause 49 of the Listing Agreement with Bombay Stock Exchange for the Financial Year ended 31st March, 2015.

I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the management. My examination was limited to the procedure and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

On the basis of my examination of the records produced, explanations and information furnished, I certify that the Company has complied with the mandatory conditions of Clause 49 of the Listing Agreement.

This certificate is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**S. Kannan**

**FCS: 6261**

**CP No.: 13016**

**Place: Bangalore**

**Date: 24th July, 2015**





**Declaration regarding Compliance by Board Members and Senior Management Personnel with the Company's Code of Conduct pursuant to Clause 49 of the Listing Agreement.**

This is to certify that pursuant to Clause 49 II (E) (2) of the Listing Agreement with the Stock Exchange, the Company has laid down Code of Conduct for all Board Members and Senior Management Personnel of the Company.

Further certified that the Members of the Board of Directors and Senior Management Personnel have affirmed having complied with the Code applicable to them during the year ended 31st March, 2015.

**For and on behalf of the Board of Directors**

**Place: Bangalore**  
**Date: 25th July, 2015**

**Ram N Agarwal**  
**Chairman and Managing Director**

**Chief Financial Officer (CFO) Certification**

I, Sandeep Kumar Goyal, Chief Financial Officer, WeP Solutions Limited, to the best of my knowledge and belief, certify that:

- a) I have reviewed balance sheet and profit and loss account for the year ended 31st March, 2015 and all its schedules and notes on accounts, as well as the cash flow statement and directors' report and to the best of my knowledge and belief report that:
  - i. These statement do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- b) There are to the best of my knowledge and belief, no transaction entered into by the company during the year which is fraudulent, illegal or violative of the company's code of conduct;
- c) I am responsible for establishing and maintaining internal controls for financial reporting and I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design and operation of such internal controls, if any, of which I am aware and I have taken proper steps to rectify these deficiencies.
- d) I have disclosed to the auditors and Audit Committee
  - i. Significant changes in the internal control over financial reporting during the year;
  - ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. Instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

**Place: Bangalore**  
**Date: 18th May, 2015**

**Sandeep Kumar Goyal**  
**Chief Financial Officer**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF WEP SOLUTIONS LIMITED**

#### **1. Report on the standalone Financial Statements**

We have audited the accompanying standalone financial statements of **WEP SOLUTIONS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

#### **2. Management's Responsibility for the Standalone Financial Statements**

The 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 standalone financial statements, that give a true and fair view of the financial position, financial performance and cash flows of the Company, in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company 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 financial statements, that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **3. Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report, under the provisions of the Act and Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessment, the auditor considers internal financial control relevant to the Company's preparation of the 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. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

#### **4. Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 state of affairs of the Company as at March 31, 2015, and its profit and its cash flows for the years ended on that date.

#### 5. Report on Other Legal and Regulatory Requirements

- A. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issue by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraph 3 and 4 of the Order, the extent applicable.
- B. As required by Section 143(3) of the Act, we report that:
- (i) We have sought and obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit.
  - (ii) In our opinion, proper books of account, as required by law, have been kept by the Company, so far as it appears from our examination of those books.
  - (iii) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement, dealt with by this Report, are in agreement with the books of account.
  - (iv) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Account) Rules, 2014.
  - (v) On the basis of the written representations received from the directors as on March 31, 2015, taken on record by the Boards of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164(2) of the Act.
  - (vi) 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:
    - a) The Company has disclosed the impact of pending litigations on its financial position in its financial statements - refer note - 2.28(b) to the financial statements;
    - b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For N.M. RAIJI & CO.**  
**Chartered Accountants**  
**Firm registration NO: 108296W**

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

**Place: Mumbai**  
**Date: May 18, 2015**

### **ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT (Referred to in Paragraph 5(A) of our report of even date)**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets.
- (b) In accordance with the phased programme for verification of fixed assets, certain items of fixed assets, were physically verified by the management during the year and no material discrepancies were noticed on such verification.
- (ii) (a) Stocks of inventories have been physically verified during the year by the management. The Company has a perpetual inventory system. In our opinion, the frequency of such verification is reasonable.
- (b) The procedures for physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company has maintained proper records of inventory. The discrepancies noticed on verification between the physical stock and the book stock were not material in relation to the operations of the Company and have been properly dealt with in the books of account.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Consequently, clause iii (a) and ii (b) of the Order are not applicable to the Company.
- (iv) In our opinion, and according to the information and explanations given to us, there are adequate internal control systems, commensurate with the size of the Company and nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services.
- (v) To the best of our knowledge and according to the information and explanations given to us, the Company has not accepted any deposits during the year. Therefore, reporting under clause (v) of paragraph 3 of the Order is not required.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, and of the opinion that prima facie, the prescribed accounts have been made and maintained.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, value added tax, Cess and any other dues, during the year, with the appropriate authorities.
- (b) According to the information and explanations given to us, and on the basis of our examination of the books of account, no undisputed amounts payable in respect of Provident Fund, Employees State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, value added tax, Cess were in arrears, as at March 31, 2015, for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, and the records of the Company examined by us, there are no dues of Sales Tax, Income Tax, Customs Duty, Service Tax, Wealth Tax, Excise Duty and Cess which have not been deposited on account of any dispute.



- (d) According to the information and explanations given to us and based on the examination of records, no amount was required to be transferred to Investor Education and Protection Fund, in accordance with the relevant provisions of the Companies Act, 2013 and rules made there under.
- (viii) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions or banks. The Company does not have any outstanding debentures.
- (x) The Company has not given any guarantee for loans taken by others from bank or financial institutions, consequently, clause (x) of the Order is not applicable to the Company.
- (xi) According to the information and explanations given to us, term loans availed by the Company have been used for the purpose for which the loans were obtained.
- (xii) To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud on or by the Company was noticed or reported during the year.

**For N.M. RAIJI & CO.**  
**Chartered Accountants**  
**Firm registration NO: 108296W**

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

**Place: Mumbai**  
**Date: May 18, 2015**

## Financial Statements

### WeP Solutions Limited Balance Sheet as at March 31, 2015

(in ₹)

Particulars		Note No.	As at March 31, 2015	As at March 31, 2014
<b>I</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Shareholders' Funds</b>			
	a) Share Capital	<b>2.1</b>	230,040,545	230,040,545
	b) Reserves & Surplus	<b>2.2</b>	68,953,833	76,433,525
			<b>298,994,378</b>	<b>306,474,070</b>
<b>2</b>	<b>Non current Liabilities</b>			
	a) Long Term Borrowings	<b>2.3</b>	-	9,375,000
	b) Other Long Term Liabilities	<b>2.4</b>	18,512,626	17,015,531
	c) Long Term Provisions	<b>2.5</b>	19,268,279	17,672,300
			<b>37,780,905</b>	<b>44,062,831</b>
<b>3</b>	<b>Current Liabilities</b>			
	a) Short Term Borrowings	<b>2.6</b>	114,257,440	101,520,651
	b) Trade Payables	<b>2.7</b>	193,878,579	117,652,030
	c) Other Current Liabilities	<b>2.8</b>	76,224,786	100,822,844
	d) Short Term Provisions	<b>2.9</b>	23,202,702	26,937,574
			<b>407,563,507</b>	<b>346,933,099</b>
	<b>TOTAL</b>		<b>744,338,790</b>	<b>697,470,000</b>
<b>II</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non current Assets</b>			
	a) Fixed Assets	<b>2.10</b>		
	i) Tangible assets		228,692,626	233,592,807
	ii) Intangible assets		1,049,980	2,554,921
	iii) Capital work in progress		-	291,976
	b) Deferred tax assets (Net)	<b>2.11</b>	31,435,923	24,656,344
	c) Long term Loans and Advances	<b>2.12</b>	17,054,098	20,759,887
	d) Other Non current assets	<b>2.13</b>	6,664,536	1,536,296
			<b>284,897,163</b>	<b>283,392,231</b>
<b>2</b>	<b>Current Assets</b>			
	a) Inventories	<b>2.14</b>	224,459,278	213,214,721
	b) Trade Receivables	<b>2.15</b>	196,091,693	164,801,980
	c) Cash and cash equivalents	<b>2.16</b>	419,051	106,164
	d) Short term loans and advances	<b>2.17</b>	38,471,605	35,954,904
			<b>459,441,627</b>	<b>414,077,769</b>
	Significant Accounting Policies Note No. 2.1 to 2.35 form an integral part of these Financial Statements	<b>1</b>		
	<b>TOTAL</b>		<b>744,338,790</b>	<b>697,470,000</b>

As per our report attached  
For **N M Rajji & Co**  
Chartered Accountants  
Firm Reg. No. : 108296W

**Vinay D Balse**  
Partner  
Membership No. : 39434  
Place: Mumbai  
Date : May 18, 2015

For and on behalf of the Board of Directors

**H V Gowthama**  
Director

**Ram N Agarwal**  
Chairman

**Sandeep Goyal**  
Chief Financial Officer

**Sujata Lele**  
Company Secretary

Place: Darjeeling  
Date : May 18, 2015

**WeP Solutions Limited****Statement of Profit and Loss for the year ended March 31, 2015**

(in ₹)

Particulars		Note No.	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>REVENUE</b>				
I	Revenue from Operations	<b>2.18</b>	1,041,765,908	1,160,848,224
II	Other Income	<b>2.19</b>	5,322,363	10,181,010
<b>Total Revenue (I+II)</b>			<b>1,047,088,271</b>	<b>1,171,029,234</b>
<b>EXPENDITURE</b>				
	a) Cost of Materials consumed	<b>2.20</b>	328,873,116	399,554,077
	b) Purchases of Stock in trade	<b>2.21</b>	290,615,610	227,278,495
	c) Changes in inventories of finished goods, work in progress and stock in trade	<b>2.22</b>	(12,940,624)	40,117,028
	d) Employee Benefits expense	<b>2.23</b>	91,365,810	107,421,077
	e) Other expenses	<b>2.25</b>	244,087,324	275,319,860
<b>Total Expenses</b>			<b>942,001,236</b>	<b>1,049,690,537</b>
IV	<b>Profit Before Depreciation, Interest, Exceptional Item and Tax</b>		<b>105,087,035</b>	<b>121,338,697</b>
	f) Depreciation and amortization expense		65,036,830	72,683,149
V	<b>Profit Before Interest, Exceptional Item and Tax</b>		<b>40,050,205</b>	<b>48,655,548</b>
	g) Finance costs	<b>2.24</b>	17,670,272	20,440,629
VI	<b>Profit Before Tax</b>		<b>22,379,933</b>	<b>28,214,919</b>
VII	<b>Tax expense</b>			
	a) Current Tax		8,822,689	8,091,085
	b) MAT Credit entitlement		-	(1,344,330)
	c) Deferred Tax		(2,252,224)	591,097
VIII	<b>Profit / (Loss) for the year/period</b>		<b>15,809,468</b>	<b>20,877,067</b>
<b>Earnings Per Share</b>				
(Equity Shares par value Rs 10/- each)				
	- Basic		<b>0.69</b>	<b>0.91</b>
	- Diluted		<b>0.68</b>	<b>0.91</b>
Number of shares used in computing earnings per share				
	- Basic		<b>23,003,472</b>	<b>23,003,472</b>
	- Diluted		<b>23,084,395</b>	<b>23,013,335</b>
Significant Accounting Policies		<b>1</b>		
Note No. 2.1 to 2.35 form an integral part of these Financial Statements				

As per our report attached

For **N M Rajji & Co**

Chartered Accountants

Firm Reg. No. : 108296W

**Vinay D Balse**

Partner

Membership No. : 39434

Place: Mumbai

Date : May 18, 2015

For and on behalf of the Board of Directors

**H V Gowthama**

Director

**Ram N Agarwal**

Chairman

**Sandeep Goyal**

Chief Financial Officer

**Sujata Lele**

Company Secretary

Place: Darjeeling

Date : May 18, 2015

# Financial Statements

## WeP Solutions Limited

### Cash Flow Statement for the year ended March 31, 2015

(in ₹)

Particulars		March - 2015		March - 2014	
<b>A</b>	<b>Cash Flow From Operating Activities</b>				
	Profit/(Loss) before tax		22,379,933		28,214,919
	<b>Adjustment for:</b>				
	Depreciation & Amortisation	65,036,830		72,683,149	
	Provision for doubtful debts	(373,671)		12,224,834	
	Loss / (Profit) on Sale of Fixed Assets	820,559		841,096	
	Interest Expense	17,670,272	83,153,989	20,440,629	106,189,708
	Operating profit before working capital changes		105,533,922		134,404,627
	<b>Working Capital Changes</b>				
	(Increase) / Decrease in Inventories	(11,244,557)		46,646,995	
	(Increase) / Decrease in Trade Receivables	(30,916,041)		129,842,400	
	(Increase) / Decrease in Other Current Assets	(2,801,173)		82,893,298	
	(Increase) / Decrease in Non Current Assets	(1,422,451)		(6,005,668)	
	Increase / (Decrease) in Trade Payables	76,226,549		(220,735,409)	
	Increase / (Decrease) in Other Current Liabilities	(28,769,299)		15,222,783	
	Increase / (Decrease) in Non Current Liabilities	3,093,075		1,351,968	
			4,166,103		49,216,367
	Cash Generated from Operations		109,700,025		183,620,994
	Direct taxes paid		(8,538,216)		(10,592,050)
	<b>Net Cash From Operating Activities</b>		<b>101,161,809</b>		<b>173,028,944</b>
<b>B</b>	<b>Cash Flow From Investing Activities</b>				
	Purchase of Fixed Assets including Capital work in progress	(73,450,136)		(177,938,077)	
	Proceeds from Sale of Fixed Assets	366,153		1,536,922	
			(73,083,983)		(176,401,155)
	<b>Net Cash Used In Investing Activities</b>		<b>(73,083,983)</b>		<b>(176,401,155)</b>
<b>C</b>	<b>Cash Flow From Financing Activities</b>				
	Payment of Dividend including Tax	(13,456,456)		-	
	Interest paid	(17,670,272)		(20,440,629)	
	Proceeds / (Repayment) of Borrowings	3,361,789		23,066,352	
			(27,764,939)		2,625,723
	<b>Net Cash From / (Used for) Financing Activities</b>		<b>(27,764,939)</b>		<b>2,625,723</b>
	<b>Net Increase / (Decrease) In Cash And Cash Equivalents - (A+B+C)</b>		<b>312,887</b>		<b>(746,488)</b>
	Cash And Cash Equivalents At The Beginning of The Year		106,164		852,652
	<b>Cash And Cash Equivalents At The End Of The Year</b>		<b>419,051</b>		<b>106,164</b>

As per our report attached

For **N M Raiji & Co**

Chartered Accountants

Firm Reg. No. : 108296W

**Vinay D Balse**

Partner

Membership No. : 39434

Place: Mumbai

Date : May 18, 2015

For and on behalf of the Board of Directors

**H V Gowthama**

Director

**Ram N Agarwal**

Chairman

**Sandeep Goyal**

Chief Financial Officer

**Sujata Lele**

Company Secretary

Place: Darjeeling

Date : May 18, 2015



## Significant accounting policies and notes on accounts

### 1. Significant accounting policies

#### 1.1 Basis of preparation of financial statements

The Financial Statements are prepared as a going-concern under the historical cost convention on an accrual basis and in accordance with the provision of Section 129 and other provisions of the Companies Act, 2013.

#### 1.2 Use of Estimates

The preparation of financial statements in accordance with the generally accepted accounting principles, requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimate is recognised in the period in which the estimates are revised and in any future period affected.

#### 1.3 Fixed assets, intangible assets, leased assets and work-in-progress

Fixed assets are stated at historical cost less accumulated depreciation. Costs include expenditure directly attributable to the acquisition of the asset. Borrowing costs directly attributable to the construction or production of qualifying assets are capitalized as part of the cost.

Intangible assets are stated at the consideration paid for acquisition less accumulated amortization. Advances paid towards the acquisition of fixed assets outstanding as of each balance sheet date is shown as capital advance and the cost of fixed assets not ready for use as on that date are disclosed as capital work in progress.

Leases where the lessor retains substantially all the risks and rewards of ownership are classified as operating leases. Lease rentals in respect of assets taken under operating leases are charged to the Profit and Loss Account on a straight line basis over the lease term.

#### 1.4 Depreciation and amortization

Depreciation on fixed assets is provided at the rates prescribed in Schedule II to the Companies Act, 2013, or at the rates determined based on the useful life of the asset, as estimated by the management, whichever is higher. Depreciation is provided based on the straight line method. The rates adopted for the depreciation determined on the basis of the estimated useful life of fixed 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
Computer Peripherals - on Use and Pay	4.00
Vehicles	8.00
Air Conditioners	4.00
Moulds, Dies & Patterns	5.00
Building	30.00

Individual Assets costing less than ₹ 5,000 are depreciated in full in the year of purchase. Depreciation for assets purchased / sold during the period is proportionately charged. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis as follows:

Asset	Amortization
Computer Software Purchased – ERP Systems	4.00
Computer Software	2.00
Technical Know-how	5.00

In case of Fixed assets having a Written Down Value as on April 1, 2014, where the useful life has been increased in line with Schedule II of the Companies Act , 2013, the written down value is charged off as depreciation over the revised balance useful life of the respective assets.

#### 1.5 Impairment of Assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. Impairment loss recognised in the preceding accounting period is adjusted if there has been a change in the estimate of recoverable amount.

#### 1.6 Borrowing Costs

Borrowing Costs incurred in connection with borrowing of funds for the acquisition, production or construction of an asset that necessarily takes substantial period of time to get ready for its intended use are capitalised as part of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

#### 1.7 Inventories

Inventories are valued at lower of cost or net realizable value, including necessary provision for obsolescence. Cost is determined using the weighted average method.

#### 1.8 Contingencies and events occurring after the Balance Sheet date

Accounting for contingencies (gain or loss) arising out of contractual obligations are made only on the basis of mutual acceptance.

Events occurring after the date of Balance Sheet are considered upto the date of approval of the accounts by the Board of Directors, where material.

#### 1.9 Foreign Currency Transactions

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or which approximates the actual rate at the date of the transaction.

Monetary items denominated in foreign currencies as at the year end are restated at the year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognised as exchange difference and the premium paid on forward contracts is recognized over the life of the contract.

Non monetary foreign currency items are carried at cost.

#### 1.10 Revenue Recognition

Sales of Product/Service are accounted net of Excise duty, Sales Tax /VAT, Service Tax and discounts on accrual basis.

Agency Commission is accrued on shipment of consignment by Principal and Other income is recognised on accrual basis.

### 1.11 Employee Benefits

**Gratuity:** The Company provides gratuity benefit to the employees which is defined benefit plan and the obligation of the company is calculated on the basis of actuarial valuation.

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

### 1.12 Tax Expense

Current tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income-tax Act, 1961, and based on expected outcome of assessments/appeals.

Deferred tax is recognised on timing difference between taxable and accounting income for the year and quantified using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date.

Deferred tax asset relating to unabsorbed depreciation / business losses/ losses under the head “capital gains” are recognised and carried forward to the extent that there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Other deferred tax assets are recognised and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

### 1.13 Provisions and Contingent liabilities

Provisions are recognised when the Company has a present obligation as a result of past event, and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Legal provisions are made as per the requirements of the applicable legislation. Warranty provision is arrived at considering the warranty period and the rate of failures determined from historical information. They represent the best estimate of likely expenses during the unexpired warranty period.

### 1.14 Research & Development

The Company incurs certain expenditure for new product development or upgradation of features in the existing products. Any revenue expenditure incurred is charged off during the period in which it is incurred. Any capital expenditure is shown as addition to fixed assets.

## 2. Notes on Accounts for the year ended March 31, 2015

All figures are reported in Rupees, except data relating to number of Equity Shares or unless stated otherwise. The Previous period figures have been regrouped/reclassified, wherever necessary, to conform to the current period presentation.

## 2.1 Share Capital

Particulars	As at March 31, 2015	As at March 31, 2014
<b>Authorised</b> 30,000,000 (PY : 30,000,000) Equity Shares of Rs 10 each	300,000,000	300,000,000
	<b>300,000,000</b>	<b>300,000,000</b>
<b>Issued, Subscribed and Paid-Up</b> 23,003,472 (PY 23,003,472) Equity shares of ₹10 each fully paid up (of the above 22,213,645 shares have been allotted within the last five years for consideration other than cash.)	230,034,720	230,034,720
Forfeited Shares (Equity shares of ₹5 each paid up)	5,825	5,825
<b>TOTAL</b>	<b>230,040,545</b>	<b>230,040,545</b>

### 2.1.1 The reconciliation of the number of shares outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2015	As at March 31, 2014
Shares outstanding at the beginning of the year	23,003,472	11,261,508
Shares Issued during the year	-	11,741,964
Shares Forfeiture during the year	-	-
<b>Shares outstanding at the end of the year</b>	<b>23,003,472</b>	<b>23,003,472</b>

### 2.1.2 Rights, Preferences and Restrictions attached to Equity Shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is entitled to one vote per equity share. The shareholders are entitled to dividend declared on proportionate basis. On liquidation of the Company, the equity shareholders would be eligible to receive the remaining assets of the Company after distribution of all preferential amount in proportion to their shareholding.

### 2.1.3 Shares in the Company held by each shareholder holding more than 5 percent of the Shares:

Name of share holders	As at March 31, 2015	As at March 31, 2014
<b>RNAWEP Investments Private Limited</b>		
No of Shares	3,248,109	3,228,309
% Holding	14.12%	14.03%
<b>Ram N Agarwal</b>		
No of Shares	3,205,056	3,194,856
% Holding	13.94%	13.89%
<b>WeP Peripherals Limited</b>		
No of Shares	2,124,994	2,124,994
% Holding	9.24%	9.24%
<b>Wipro Limited</b>		
No of Shares	1,836,000	1,836,000
% Holding	7.98%	7.98%

## 2.2 Reserves and Surplus

Particulars	As at March 31, 2015	As at March 31, 2014
<b>Capital Reserve</b>		
Opening Balance	30,428,459	30,428,459
<b>Closing Balance</b>	<b>30,428,459</b>	<b>30,428,459</b>
<b>Subsidy from Govt</b>		
Opening balance	899,000	899,000
<b>Closing balance</b>	<b>899,000</b>	<b>899,000</b>
<b>Securities Premium Account</b>		
Opening Balance	6,675,000	6,675,000
<b>Closing Balance</b>	<b>6,675,000</b>	<b>6,675,000</b>
<b>Surplus in Statement of Profit and Loss Account</b>		
Opening balance	38,431,066	31,010,454
Less: Adjustment for depreciation (Refer Note 2.27)	9,432,481	-
Add :- Current year profit/(loss)	15,809,468	20,877,068
<b>Profit available for appropriation</b>	<b>44,808,053</b>	<b>51,887,522</b>
<b>Less :- Appropriations</b>		
Proposed Final Dividend on Equity Shares (5%)	11,501,736	11,501,736
Tax on Dividend	2,354,943	1,954,720
<b>Closing balance</b>	<b>30,951,374</b>	<b>38,431,066</b>
<b>TOTAL</b>	<b>68,953,833</b>	<b>76,433,525</b>

## 2.3 Long Term Borrowing

Particulars	As at March 31, 2015	As at March 31, 2014
<b>Secured-</b>		
Term Loan from bank	-	21,875,000
Current maturities of long term borrowing (Secured by hypothecation of the assets under Use and Pay block of fixed assets and a Corporate Guarantee from a shareholder) (Repayable in 16 Quarterly Installments commencing from Feb 2012)	-	(12,500,000)
<b>TOTAL</b>	<b>-</b>	<b>9,375,000</b>

## 2.4 Other Long Term Liabilities

Particulars	As at March 31, 2015	As at March 31, 2014
Customer and Dealer Deposits	18,512,626	17,015,531
<b>TOTAL</b>	<b>18,512,626</b>	<b>17,015,531</b>

## 2.5 Long Term Provisions

Particulars	As at March 31, 2015	As at March 31, 2014
Employee Benefits	7,037,361	6,837,402
Warranty Liability (Refer Note No. 2.26)	12,230,918	10,834,898
<b>TOTAL</b>	<b>19,268,279</b>	<b>17,672,300</b>

## 2.6 Short Term Borrowings

Particulars	As at March 31, 2015	As at March 31, 2014
<b>a) Secured Loans repayable on Demand From Banks</b>		
Cash Credit Account (Secured by Hypothecation of Current Assets)	114,257,440	101,520,651
<b>TOTAL</b>	<b>114,257,440</b>	<b>101,520,651</b>

## 2.7 Trade Payables

Particulars	As at March 31, 2015	As at March 31, 2014
Other Trade Payables	193,878,579	117,652,030
<b>TOTAL</b>	<b>193,878,579</b>	<b>117,652,030</b>

## 2.8 Other Current Liabilities

Particulars	As at March 31, 2015	As at March 31, 2014
Current maturities of long term borrowing	-	12,500,000
For Expenses	65,979,395	69,546,062
Advance from customers	371,523	2,450,703
Income received in advance	4,164,895	8,231,521
Statutory payables	4,732,860	6,799,249
Other payables	976,113	1,295,309
<b>TOTAL</b>	<b>76,224,786</b>	<b>100,822,844</b>

## 2.9 Short Term Provisions

Particulars	As at March 31, 2015	As at March 31, 2014
Warranty Liability (Refer Note No. 2.26)	7,535,708	11,631,408
For Dividend payment	13,856,679	13,456,456
Employee Benefits	1,810,316	1,849,710
<b>TOTAL</b>	<b>23,202,702</b>	<b>26,937,574</b>

## 2.10 Fixed Assets as on 31st March, 2015

Particulars	Gross Block			Depreciation and Amortisation			Net Block			
	Opening Block as at 1-Apr-14	Additions During the Year	Deduction on Disposal	Closing Block as at 31-Mar-15	As At 1-Apr-14	For the Year	Deduction on Disposal /adjustment	Total as at 31-Mar-15	As at 31-Mar-15	As at 31-Mar-14
<b>Tangible Assets:</b>										
Leasehold - Land	68,468,000	-	-	68,468,000	-	805,506	-	805,506	67,662,494	68,468,000
Building - Factory	40,860,152	-	-	40,860,152	-	1,475,505	-	1,475,505	39,384,647	40,860,152
Plant & Equipment	74,708,379	2,488,565	153,809	77,043,135	67,521,231	1,238,324	(5,150,766)	73,910,321	3,132,814	7,187,148
Moulds, Dies & Patterns	155,989,708	195,306	-	156,185,014	155,403,943	597,764	-	156,001,707	183,307	585,766
Computers	117,263,723	1,173,313	22,807,480	95,629,556	114,379,324	1,587,650	22,807,475	93,159,499	2,470,057	2,884,399
Computer Peripherals - On Use & Pay	586,856,958	67,065,334	137,609,085	516,313,207	475,197,789	56,850,860	128,026,710	404,021,939	112,291,268	111,659,169
Furniture & Fixture	39,237,052	1,308,885	-	40,545,937	37,461,795	771,167	-	38,232,962	2,312,975	1,775,257
Vehicles	3,245,894	1,510,707	545,000	4,211,601	3,072,978	205,113	321,554	2,956,537	1,255,064	172,915
	<b>1,086,629,866</b>	<b>73,742,110</b>	<b>161,115,374</b>	<b>999,256,602</b>	<b>853,037,060</b>	<b>63,531,889</b>	<b>146,004,973</b>	<b>770,563,976</b>	<b>228,692,626</b>	<b>233,592,807</b>
<b>Intangible Assets:</b>										
Technical Knowhow	6,803,441	-	-	6,803,441	6,803,441	-	-	6,803,441	-	-
Computer Software	8,610,258	-	-	8,610,258	7,902,387	707,871	-	8,610,258	-	707,871
Computer Software - ERP System	8,531,375	-	-	8,531,375	6,684,325	797,070	-	7,481,395	1,049,980	1,847,050
	<b>23,945,074</b>	<b>-</b>	<b>-</b>	<b>23,945,074</b>	<b>21,390,153</b>	<b>1,504,941</b>	<b>-</b>	<b>22,895,094</b>	<b>1,049,980</b>	<b>2,554,921</b>
<b>Total</b>	<b>1,110,574,940</b>	<b>73,742,110</b>	<b>161,115,374</b>	<b>1,023,201,676</b>	<b>874,427,213</b>	<b>65,036,830</b>	<b>146,004,973</b>	<b>793,459,070</b>	<b>229,742,606</b>	<b>236,147,728</b>

## Fixed Assets as on 31st March, 2014

Particulars	Gross Block			Depreciation and Amortisation			Net Block			
	Opening Block as at 1-Apr-13	Additions During the Year	Deduction on Disposal	Closing Block as at 31-Mar-14	As At 1-Apr-13	For the Year	Deduction on Disposal	Total as at 31-Mar-14	As at 31-Mar-14	As at 31-Mar-13
<b>Tangible Assets:</b>										
Leasehold - Land	-	68,468,000	-	68,468,000	-	-	-	-	68,468,000	-
Building - Factory	-	40,860,152	-	40,860,152	-	-	-	-	40,860,152	-
Plant & Equipment	77,673,381	453,024	3,418,026	74,708,379	68,807,728	2,131,529	3,418,026	67,521,231	7,187,148	8,865,653
Moulds, Dies & Patterns	155,671,151	318,557	-	155,989,708	151,565,978	3,837,964	-	155,403,942	585,766	4,105,173
Computers	133,300,506	2,730,674	18,767,457	117,263,723	130,100,453	3,046,328	18,767,457	114,379,324	2,884,399	3,200,053
Computer Peripherals - On Use & Pay	566,363,467	64,907,390	44,413,899	586,856,958	457,255,638	60,046,238	42,104,087	475,197,789	111,659,169	109,107,829
Furniture & Fixture	43,360,902	627,232	4,751,082	39,237,052	41,084,690	1,128,188	4,751,082	37,461,796	1,775,257	2,276,212
Vehicles	4,052,068	-	806,174	3,245,894	3,475,126	335,820	737,968	3,072,978	172,916	576,942
	<b>980,421,475</b>	<b>178,365,029</b>	<b>72,156,638</b>	<b>1,086,629,866</b>	<b>852,289,613</b>	<b>70,526,067</b>	<b>69,778,620</b>	<b>853,037,060</b>	<b>233,592,807</b>	<b>128,131,862</b>
<b>Intangible Assets:</b>										
Technical Knowhow	6,803,441	-	-	6,803,441	6,803,441	-	-	6,803,441	-	-
Computer Software	8,429,358	180,900	-	8,610,258	6,905,217	997,170	-	7,902,387	707,871	1,524,141
Computer Software - ERP System	8,499,000	32,375	-	8,531,375	5,524,413	1,159,912	-	6,684,325	1,847,050	2,974,587
	<b>23,731,799</b>	<b>213,275</b>	<b>-</b>	<b>23,945,074</b>	<b>19,233,071</b>	<b>2,157,082</b>	<b>-</b>	<b>21,390,153</b>	<b>2,554,921</b>	<b>4,498,728</b>
<b>Total</b>	<b>1,004,153,274</b>	<b>178,578,304</b>	<b>72,156,638</b>	<b>1,110,574,940</b>	<b>871,522,684</b>	<b>72,683,149</b>	<b>69,778,620</b>	<b>874,427,213</b>	<b>236,147,728</b>	<b>132,630,590</b>

## 2.11 Deferred Tax

Particulars	As at March 31, 2015	As at March 31, 2014
<b>Deferred Tax Asset</b>		
Provision for doubtful debts	20,979,316	21,100,554
Expenses allowed on actual payment basis u/s 43B of I.T Act 1961	3,177,235	4,093,844
Depreciation Difference	6,852,304	-
Amortisation of Demerger expenditure u/s 35DD of I.T. Act 1961	427,068	964,501
<b>Less: Deferred Tax Liability</b>		
Depreciation Difference	-	1,502,555
<b>Net Deferred Tax Asset</b>	<b>31,435,923</b>	<b>24,656,344</b>

## 2.12 Long Term Loans and Advances

Particulars	As at March 31, 2015	As at March 31, 2014
<b>Unsecured - Considered good</b>		
Capital Advance	-	1,175,000
Deposits	17,054,098	19,584,887
<b>TOTAL</b>	<b>17,054,098</b>	<b>20,759,887</b>

## 2.13 Other Non Current Assets

Particulars	As at March 31, 2015	As at March 31, 2014
<b>Unsecured - Considered good</b>		
Margin Money Deposits with Bank	6,625,144	1,450,847
Interest Accrued on Fixed Deposits	39,392	85,449
<b>TOTAL</b>	<b>6,664,536</b>	<b>1,536,296</b>

## 2.14 Inventories

Particulars	As at March 31, 2015	As at March 31, 2014
<b>Raw Materials</b>		
- In Stock	31,892,868	31,766,813
- In Transit	2,024,044	368,798
<b>Work in Progress</b>	12,719,705	6,811,267
<b>Stock in Trade</b>		
- In Stock	82,604,488	59,628,492
- In Transit	2,988,133	9,384,752
<b>Finished Goods</b>		
- In Stock	28,302,191	28,304,270
- In Transit	87,000	9,632,112
<b>Spares and Consumables</b>		
- In Stock	57,771,533	67,303,967
- In Transit	6,069,316	14,250
<b>TOTAL</b>	<b>224,459,278</b>	<b>213,214,721</b>



## 2.15 Trade Receivables

Particulars	As at March 31, 2015	As at March 31, 2014
<b>Unsecured</b>		
<b>Outstanding for a period exceeding six months from the due date</b>		
Considered good	6,067,334	7,054,948
Considered doubtful	64,661,168	65,034,840
Less: Provision for Doubtful debts	64,661,168	65,034,840
<b>Sub total</b>	<b>6,067,334</b>	<b>7,054,948</b>
<b>Other debts</b>		
Considered good	190,024,359	157,747,032
<b>TOTAL</b>	<b>196,091,693</b>	<b>164,801,980</b>

## 2.16 Cash and Cash Equivalents

Particulars	As at March 31, 2015	As at March 31, 2014
<b>i) Balances with Banks</b>		
Current account	313,236	74,636
<b>ii) Cheques on Hand</b>	97,163	-
<b>iii) Cash on Hand</b>	8,652	31,528
<b>TOTAL</b>	<b>419,051</b>	<b>106,164</b>

## 2.17 Short Term Loans and Advances

Particulars	As at March 31, 2015	As at March 31, 2014
<b>Unsecured - Considered good</b>		
a) Other Loans and Advances		
i) Advance Income Tax (net of provision)	22,644,440	23,137,642
ii) Balances with Excise, Customs, VAT and Service Tax input credit	5,486,013	4,521,213
iii) Deposits	1,870,500	1,643,500
iv) Advances to suppliers	-	372,871
v) Others	8,470,652	6,279,678
<b>TOTAL</b>	<b>38,471,605</b>	<b>35,954,904</b>

## 2.18 Revenue From Operations

Particulars	For the year ending March 31, 2015	For the year ending March 31, 2014
Sale of Products	705,900,275	866,403,330
Sale of Services	372,924,205	350,327,710
Other Operating Revenue	237,071	1,756,301
<b>Sub Total</b>	<b>1,079,061,551</b>	<b>1,218,487,341</b>
Less: Excise Duty	37,295,643	57,639,117
	<b>1,041,765,908</b>	<b>1,160,848,224</b>

## 2.19 Other Income

Particulars	For the year ending March 31, 2015	For the year ending March 31, 2014
Interest on Deposits with banks	595,946	212,749
Rental Income	1,197,312	1,197,312
Other Interest	-	8,770,949
Miscellaneous Income	3,529,105	-
<b>TOTAL</b>	<b>5,322,363</b>	<b>10,181,010</b>

## 2.20 Cost of Material Consumed

Particulars	For the year ending March 31, 2015	For the year ending March 31, 2014
Opening Stocks	99,453,828	105,983,794
Add: Purchases during the year	327,177,049	401,917,885
<b>Opening Stocks + Purchases</b>	<b>426,630,877</b>	<b>507,901,679</b>
Less: Closing stocks	97,757,761	99,453,828
<b>Sub Total</b>	<b>328,873,116</b>	<b>408,447,851</b>
Less:- Capitalised during the year	-	8,893,774
<b>Cost of material consumed</b>	<b>328,873,116</b>	<b>399,554,077</b>

## 2.21 Purchase of Stock in Trade

Particulars	For the year ending March 31, 2015	For the year ending March 31, 2014
Purchases of stock-in-trade	357,680,944	283,292,111
Less:- Capitalised during the year	67,065,334	56,013,616
<b>TOTAL</b>	<b>290,615,610</b>	<b>227,278,495</b>

## 2.22 Changes in Inventories of Work in Process, Finished Goods and Stock-in-trade

Particulars	For the year ending March 31, 2015	For the year ending March 31, 2014
<b>Opening stock</b>		
Work in Process	6,811,267	9,759,349
Finished Goods	37,936,382	72,248,212
Stock in Trade	69,013,245	71,870,361
<b>Total</b>	<b>113,760,894</b>	<b>153,877,922</b>
<b>Closing Stock</b>		
Work in Process	12,719,705	6,811,267
Finished Goods	28,389,191	37,936,382
Stock in Trade	85,592,621	69,013,245
<b>Sub total</b>	<b>126,701,517</b>	<b>113,760,894</b>
	<b>(12,940,624)</b>	<b>40,117,028</b>

## 2.23 Employee Benefit Expenses

Particulars	For the year ending March 31, 2015	For the year ending March 31, 2014
Salaries and Wages	78,960,092	92,764,844
Contribution to provident and other fund	3,525,022	4,956,759
Staff welfare expenses	8,880,696	9,699,474
<b>TOTAL</b>	<b>91,365,810</b>	<b>107,421,077</b>

## 2.24 Finance Cost

Particulars	For the year ending March 31, 2015	For the year ending March 31, 2014
Interest Expenses	16,326,562	17,390,869
Other Borrowing costs	1,343,710	3,049,760
<b>TOTAL</b>	<b>17,670,272</b>	<b>20,440,629</b>

## 2.25 Other expenses

Particulars	For the year ending March 31, 2015	For the year ending March 31, 2014
Power and fuel	7,350,565	7,698,742
Insurance	944,675	1,039,342
Repairs & Maintenance	5,678,432	4,626,918
Rent	31,137,994	33,747,581
Rates and taxes	7,679,382	6,471,508
Warranty Expenses	3,505,505	10,782,172
Carriage and Freight outwards	33,533,846	29,962,354
Commission on sales	20,072,077	19,129,911
Support Charges	30,092,076	35,426,544
<b>Auditors' Remuneration</b>		
- for Audit fees	325,000	325,000
- for Taxation matters	50,000	50,000
- for Reimbursement of expenses	60,018	123,631
- for Other Services	40,000	75,000
Advertisement and sales promotion	10,324,502	7,054,896
Directors' Commission and Sitting fees	580,000	500,000
Loss on disposal of assets	820,559	841,096
Travelling and Conveyance	19,315,046	19,433,332
Communication Expenses	9,653,305	9,872,629
Legal and Professional charges	4,447,225	6,988,995
Manpower support service charges	42,676,463	41,356,221
Office Maintenance	4,759,442	8,102,899
Provision for Bad debts / advances	(373,671)	12,224,834
Bad Debts Write off	3,572,466	-
Exchange Differences (Net)	4,286,204	13,510,964
Recruitment Expenses	753,180	1,713,543
Miscellaneous expenses	2,803,033	4,261,748
<b>TOTAL</b>	<b>244,087,324</b>	<b>275,319,860</b>

## 2.26 Details of disclosure as required by AS-29

Particulars	Warranty Provision
<b>Opening Balance as on April 1, 2014</b>	22,466,306
Additions during the year	19,766,626
Reversal	22,466,306
<b>Closing Balance As On March 31, 2015</b>	19,766,626

## 2.27 Change in Accounting Policy for Depreciation

In accordance with Schedule II of the Companies Act 2013, the company has reviewed the useful life of all its fixed assets as on April 1, 2014

- In case of assets where there is a reduction in useful life, the incremental depreciation arising out of the reduced life as calculated upto March 31, 2014 has been adjusted in the retained earnings; the consequent adjustment to the retained earnings (net of deferred tax) is Rs. 94.3 Lakhs
- In case of assets where there is an increase in useful life, the written down value of assets as on April 1, 2014 has been charged off over the revised remaining useful life of the assets. Consequently, charge of depreciation to the Profit and Loss account is lower by Rs.50.8 Lakhs for the year ended March 31, 2015

## 2.28 Contingent Liabilities In Respect of:

- Letters of Credits opened by Banks for purchases of Spares and Consumables **Rs. NIL (March 2015)**, Rs. 2,975,445 (March 2014).
- Disputed demand for Excise, Customs, Income Tax, VAT and other matters **Rs. 5,091,761 (March 2015)**, Rs. 5,517,452 (March 2014).

## 2.29 Segment Reporting

The company's operation predominantly relate to Printer Business and Managed Printing Solutions (MPS) Business. Accordingly the revenue from the said business comprise the primary basis of segment information set out in this financial statement. The accounting principles consistently used for the preparation of financial statements are also applied to record income and expenditure in individual segment. These are set out on the note on significant accounting policies. Fixed Assets used in companies business and liabilities contracted have been identified to the reportable segments.

### A. Primary Segment Information

Particulars	Printer Business		MPS Business		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
<b>Revenue</b>						
Net Sales / Income from Operations	671,528,624	833,982,556	370,237,284	326,865,668	1,041,765,908	1,160,848,224
Less:- Intersegment Revenue	-	-	-	-	-	-
<b>Segment Revenue</b>	<b>671,528,624</b>	<b>833,982,556</b>	<b>370,237,284</b>	<b>326,865,668</b>	<b>1,041,765,908</b>	<b>1,160,848,224</b>
<b>Segment Result</b>						
Before Finance Cost and Tax	(6,965,026)	29,967,041	47,015,230	18,688,507	40,050,204	48,655,548
Less:- Finance Cost					17,670,272	20,440,629
<b>Profit Before tax</b>					<b>22,379,932</b>	<b>28,214,919</b>
Tax Expenses					6,570,465	7,337,852
<b>Profit After Tax</b>					<b>15,809,467</b>	<b>20,877,067</b>
<b>Other Information</b>						
Segment Assets	403,276,943	403,302,655	341,061,848	294,167,345	744,338,790	697,470,000
Segment Liabilities	204,806,893	197,620,842	126,280,079	69,979,435	331,086,972	267,600,277
<b>Capital Employed</b>	<b>198,470,050</b>	<b>205,681,813</b>	<b>214,781,769</b>	<b>224,187,910</b>	<b>413,251,819</b>	<b>429,869,723</b>
Capital Expenditure	5,120,826	111,863,273	68,329,310	66,074,804	73,450,136	177,938,077
Depreciation & Amortisation	6,300,644	9,437,496	58,736,186	63,245,653	65,036,830	72,683,149

Note: 1. There is no Secondary Segment reporting as the geographical segment has not been identified.

## 2.30 Related Party Transactions

### 2.30.1 List of related parties

Name of Related Party	Relationship
Ram Narayan Agarwal*	Chairman & Managing Director
PK Gopalakrishnan**	Managing Director
BR Ganesh	Director
GH Visweswara	Director
Sudhir Prakash	Director
Dr. AL Rao	Director
HV Gowthama	Director
Shankar Jagathan	Director
Mythily Ramesh	Director
wep solutions india limited	Promoter
WeP Peripherals Limited	Promoter

\* Appointed as Chairman & Managing Director w.e.f 16th February, 2015

\*\* Managing Director till 31st December, 2014

### 2.30.2 Transactions with Key Management Personnel

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Remuneration to P K Gopalakrishnan (Managing Director)*	5,127,508	2,461,485
Contribution to PF and other funds	108,000	136,145
Remuneration to Ram N Agarwal (Chairman & Managing Director)**	132,608	-

\* Managing Director till 31st December, 2014

\*\* Appointed as Chairman & Managing Director w.e.f 16th February, 2015

### 2.30.3 Transaction with other related parties

Particulars	WeP Peripherals Ltd	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Sale of Goods and Services	1,345,296	1,345,296
Purchase of Goods and Services	11,068,540	14,909,744
Interest Received	-	8,770,949
Purchase of Immovable Property - Land & Building	-	107,489,672

## 2.31 Employee Benefit Plans

The Company provides to its employees following retirement benefits:

- i) Gratuity
- ii) Leave Accrual

**Gratuity:** The Company provides gratuity benefit to the employees which is the defined benefit plan and the obligation of the company is calculated on the basis of actuarial valuation.



**Leave Accrual:** The Company 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.

**Disclosure envisaged in revised AS 15 in respect of gratuity are given below:**

**Principal Actuarial Assumptions**

Particulars	As at March 31, 2015	As at March 31, 2014
Expected Rate of Return on Assets (p.a)	0.00%	0.00%
Salary Escalation	7.00%	7.00%
Discount Rate	8.05%	9.00%

**Amount recognized in the Balance Sheet are as follows**

Particulars	As at March 31, 2015	As at March 31, 2014
Present value of Funded Obligations	362,398	-
Fair value of plan assets	-	-
Present value of unfunded obligations	4,036,025	4,501,842
<b>Net Liability</b>	<b>4,398,423</b>	<b>4,501,842</b>

**Amount reflected in the P&L account is as follows**

Particulars	As at March 31, 2015	As at March 31, 2014
Current Service Cost	573,096	255,926
Interest on Defined Benefit Obligation	417,372	112,497
Expected Return on Plan Assets	-	-
Net Actuarial Losses / (Gains) Recognised in year	(35,606)	149,955
Benefits Paid	-	-
Total included in employee benefit	-	-
Expected Return on Plan assets	-	-
<b>Total</b>	<b>954,862</b>	<b>518,378</b>

**Reconciliation of Benefit Obligation & Plan Assets for the Period**

Particulars	As at March 31, 2015	As at March 31, 2014
<b>Change in Defined Benefit Obligation</b>		
Opening Defined Benefit Obligation	4,501,842	5,760,033
Current Service Cost	573,096	255,926
Interest Cost	417,372	112,497
Actuarial Losses / (Gain)	(35,606)	149,955
(Benefit Paid)	(1,058,281)	(1,776,569)
<b>Closing Defined Benefit Obligation</b>	<b>4,398,423</b>	<b>4,501,842</b>
<b>Expected Employers Contribution Next Year</b>	<b>962,888</b>	<b>874,953</b>

### 2.32 Employee Stock Option Plan [ESOP]

The Company had implemented Employee Stock Option Plans as detailed below:

Particulars	ESOP 2011
Options at the beginning of the period (1st April 2014)	96,000
Options granted during the period	254,000
Price per share	10
Pricing Policy	Face Value
Options vested	57,600
Options Lapsed	45,000
Options available for exercise	30,600
Options exercised	NIL
Total number of shares arising as a result of exercise of options	NIL
Variations of terms of options	NIL
Money realised by exercise of options	NIL
Total number of options in force	305,000

### 2.33 Disclosures of dues / payments to Micro, Small and Medium enterprises to the extent such enterprises are identified by the company:

The Company has not received any intimation from the suppliers regarding the status under the Micro, Small and Medium Enterprises development Act, 2006 (the Act), hence disclosure regarding:

- Amount due an account of suppliers as at the end of the accounting year
- Interest Paid during the year;
- Interest payable at the end of the year;
- Interest accrued and unpaid at the end of the accounting year; has not been provided.

The Company is making efforts to get the confirmation from the suppliers regarding their status under the Act.

### 2.34 Additional Information Pursuant to the Provisions of Part II of Schedule III to the Companies Act 2013.

- Value of Imports on CIF basis

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Raw Material, Stock-in-Trade and Spares & Consumables	297,990,549	338,248,826

- Expenditure in Foreign Currency

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Travelling	141,702	84,078
Repair Charges	2,988,710	3,565,886



c. Material Consumption Details

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>Indigenous-</b>		
Consumption during the year	175,708,721	246,709,233
% of total consumption	53%	62%
<b>Imported-</b>		
Consumption during the year	153,164,395	152,844,844
% of total consumption	47%	38%
<b>Total</b>	<b>328,873,116</b>	<b>399,554,077</b>

d. Earning in Foreign Currency

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Export of Goods	-	7,715,654

2.35 Earning Per Share (EPS) computed in accordance with Accounting Standard 20.

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>Basic</b>		
Profit / (Loss) after tax as per accounts	15,809,468	20,877,067
Number of Shares issued (Weighted average no.)	23,003,472	23,003,472
<b>Earning Per Share</b> (of nominal value of equity share of Rs.10/- each)	<b>0.69</b>	<b>0.91</b>
<b>Diluted</b>		
Profit / (Loss) after tax as per accounts	15,809,468	20,877,067
Number of Shares issued (Weighted average no.)	23,084,395	23,013,335
<b>Earning Per Share</b> (of nominal value of equity share of Rs.10/- each)	<b>0.68</b>	<b>0.91</b>

As per our report attached  
For **N M Raiji & Co**  
Chartered Accountants  
Firm Reg. No. : 108296W

**Vinay D Balse**  
Partner  
Membership No. : 39434  
Place: Mumbai  
Date : May 18, 2015

**For and on behalf of the Board of Directors**

**H V Gowthama**  
Director

**Ram N Agarwal**  
Chairman

**Sandeep Goyal**  
Chief Financial Officer

**Sujata Lele**  
Company Secretary

Place: Darjeeling  
Date : May 18, 2015

## BP 2000



## BP 85T with Battery



\* Available only in Customized Firmware



**Document  
Management  
Solutions**




**Secure Storage  
+ Legally Compliant**



**Royalty free viewing**

**Open ability for life**

**Legal hold through **

**ISO 19005:1-2005 Standards**

**Compliant as per Information  
Technology Act 2000**

**Secure Storage + Legally  
Compliant**

**Document Management  
Solutions**



## Our Promise

We promise to be *consistently proactive* and perform with *integrity and speed* at the *cutting edge* of technology and innovation to deliver the consumer's tech fantasy.

## Our Values



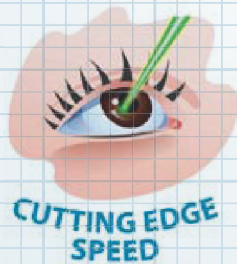
### Attitude

Like a pilot braving turbulence of the weather, we proactively follow social and technological trends to innovate consumer needs & desires.



### Behaviour

As the water lily blossom like clockwork in any environment, we leverage the strengths of our varied businesses into a converging focus through consistency with integrity, upholding human values.



### Action

With the precision energy and speed of a laser beam, we innovate at the cutting-edge of technology to surprise customers with friendly products and services.



### Delivery

Like the fantasy of enjoying a strawberry, we deliver tech fantasy into the customer's mind to make our business robust, sustainable and socially responsible.



## WeP Solutions Limited

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