

Date: 07<sup>th</sup> September, 2019

To,  
The Bombay Stock Exchange,  
Department of Corporate Services,  
Floor 25, P J Tower, Dalal Street,  
Mumbai- 400 001

Dear Sir/Madam,

Subject: Annual Report - Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Script Code: 780016

The Eleventh Annual General Meeting ('AGM') of the Company will be Monday the 30<sup>th</sup> September, 2019 at 11:30 A. M. at 301 Corporate Arena Off Aarey Piramal X Road Behind Mahindra Gardens Goregaon West Mumbai-400062.

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company along with the Notice of AGM for the Financial Year 2018-19 which is being dispatched/ sent to the members by the permitted mode(s).

The Annual Report for the Financial Year 2018-19 is uploaded on the website of the Company [www.webelementinc.com](http://www.webelementinc.com)

Please take the same on your record and acknowledge the receipt of the same.

Thanking You.

For WEB ELEMENT SOLUTIONS LIMITED

*Y. S. Kanwar*

YADVENDER SINGH KANWAR  
(Whole-time Director)  
DIN: 02160704



# WEB ELEMENT SOLUTIONS LIMITED

CIN: L72200MH2008PLC182320

## 11<sup>TH</sup> ANNUAL REPORT 2018-19

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# WEB ELEMENT SOLUTIONS LIMITED

CIN: L72200MH2008PLC182320

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Yadvender Singh Kanwar	Whole Time Director
Shailesh B Patel	Whole Time Director
Nayan J Shah	Executive Director
Sunil Sharma	Independent Director
KiranKumar N Shukla	Independent Director
Samir Gujjar	Independent Director (Resigned w.e.f. 12/08/2019)
Shrena K Shah	Executive Director

### COMPANY SECRETARY & COMPLIANCE OFFICER

Vishal Mittal

### CHIEF FINANCIAL OFFICER

Shrena K Shah

### REGISTERED OFFICE

301, Corporate Arena, Off. Aarey Piramal Cross Road,  
Behind Mahindra Gardens, Goregaon (West) Mumbai: 400062

### STATUTORY AUDITORS

M/s. Aggarwal Desai & Shah  
Chartered Accountants, Mumbai

### SECRETARIAL AUDITOR

Nitesh Chaudhary  
Practicing Company Secretary, Mumbai

### BANKER

Axis Bank  
Bank Of India  
Corporation Bank

### LISTED ON STOCK EXCHANGE

BSE ITP Platform

## **NOTICE OF 11<sup>TH</sup> ANNUAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN THAT 11<sup>TH</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF WEB ELEMENT SOLUTIONS LIMITED WILL BE HELD AT 301, CORPORATE ARENA, OFF.AAREY PIRAMAL CROSS ROAD,BEHIND MAHINDRA GARDENS, GOREGAON (WEST) MUMBAI: 400062, ON MONDAY, 30<sup>TH</sup> SEPTEMBER, 2019 AT 11:30 A.M. TO TRANSACT THE FOLLOWING BUSINESS:

### **ORDINARY BUSINESS**

#### **1. ADOPTION OF FINANCIAL STATEMENT:**

To receive, consider and adopt the Audited Balance Sheet of the Company as on 31<sup>st</sup> March, 2019 and the Profit and Loss Account for the year ended on that date and Reports of Auditors and Directors thereon.

#### **2. APPOINTMENT OF DIRECTOR IN PLACE OF RETIRING DIRECTOR BY ROTATION:**

To appoint a Director in place of Mr. Nayan J Shah (DIN: 06857389) who retires by rotation and being eligible offers himself for re-appointment.

#### **3. APPOINTMENT OF STATUTORY AUDITORS FOR 1ST TERM OF 5 YEAR:**

To appoint M/s. SDG & CO, Chartered Accountants (FRN No. 137864W), Mumbai as Statutory Auditors of the Company and to fix their remuneration.

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed there under, as may be amended from time to time (including any statutory modification(s) or re-enactment thereof for the time being in force M/s. SDG & CO, Chartered Accountants (FRN No. 137864W), Mumbai, be and are hereby appointed as Statutory Auditors of the Company, for a term of Five consecutive years from the conclusion of 11<sup>th</sup> Annual General Meeting till the conclusion of the 16<sup>th</sup> Annual General Meeting (AGM) of the Company to be held in the year 2024, to examine and audit the accounts of the Company on such remuneration plus reimbursement of out-of-pocket expense, as may be mutually agreed between the Board of Directors/Audit Committee of the Company and the Statutory Auditors.”

### **SPECIAL BUSINESS**

#### **4. TO RE-APPOINTMENT OF MR. SUNIL SATYANARAYAN SHARMA (DIN: 01568825) AS AN INDEPENDENT NON- EXECUTIVE 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 Section 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), and the rules made there under (including any statutory modification(s) or re-enactment thereof and any rules made there under, for the time being in force) and Regulation 16(1)(b) of the Listing Regulation and subject to such other approvals as may be required, Mr. Sunil Satyanarayan Sharma (DIN: 01568825) be and is hereby Re-appointed as an Independent Director of the Company to hold office for a Second term of Five years i.e. up to 16<sup>th</sup> Annual General Meeting of the Company. Mr. Sunil Satyanarayan Sharma (DIN: 01568825) has given a declaration under Section 149(7) of the Companies Act, 2013 that she meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013. Further, in the opinion of the Board also, she fulfils the conditions specified in the Companies Act, 2013 for such an appointment.

None of the other Directors (other than Mr. Sunil Satyanarayan Sharma (DIN: 01568825)/Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions."

**5. TO RE-APPOINTMENT OF MR. KIRANKUMAR NAVINCHANDRA SHUKLA (DIN: 01568997) AS AN INDEPENDENT NON- EXECUTIVE 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 Section 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), and the rules made there under (including any statutory modification(s) or re-enactment thereof and any rules made there under, for the time being in force) and Regulation 16(1)(b) of the Listing Regulation and subject to such other approvals as may be required, Mr. Kirankumar Navinchandra Shukla (DIN: 01568997) be and is hereby Re-appointed as an Independent Director of the Company to hold office for a Second term of Five years i.e. up to 16<sup>th</sup> Annual General Meeting of the Company. Mr. Kirankumar Navinchandra Shukla (DIN: 01568997) has given a declaration under Section 149(7) of the Companies Act, 2013 that she meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013. Further, in the opinion of the Board also, she fulfils the conditions specified in the Companies Act, 2013 for such an appointment.

None of the other Directors (other than Mr. Kirankumar Navinchandra Shukla (DIN: 01568997)/Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions."

**Date: 29/08/2019**  
**Place: Mumbai**

**By Order of the Board of Directors**  
**WEB ELEMENT SOLUTIONS LIMITED**  
**Sd/-**  
**Shailesh B. Patel**  
**(Whole Time Director)**  
**DIN: 02150718**

**NOTES:**

1. An Explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special businesses set out in the notice is annexed
2. A Member Entitled To Attend And Vote At The AGM Is Entitled To Appoint A Proxy To Attend And Vote In The Meeting Instead Of himself / Herself, And The Proxy Need Not Be A Member Of The Company. A person can act as a proxy on behalf of not exceeding fifty (50) members in aggregate not more than ten (10) percent of the total share capital of the Company.
3. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board resolution to the Company, authorizing their representative to attend and vote on their behalf at the meeting.
4. The instrument appointing the proxy, duly completed, must be deposited at the Company's registered office not less than 48 hours before the commencement of the meeting. A proxy form for the AGM is enclosed
5. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.

6. Members / proxies / authorized representatives should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
7. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
8. The Register of Contracts or Arrangements, in which the directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
9. Pursuant to Reg. 42 of the SEBI (LODR) REGULATIONS, 2015 read with section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books will remain closed from (Friday, 24<sup>th</sup> September, 2019 to, 30<sup>th</sup> September, 2019) (Both days inclusive) for the purpose of AGM.
10. Members are requested to notify any correction/change in their name /address including Pin Code number immediately to the Companies Register/ Depository Participant. In the event of non-availability of Members latest address either in the Companies records or in Depository Participant's records, members are likely to miss notice and other valuable correspondence sent by the company.
11. Members are requested to kindly mention their Folio Number/ Client ID Number (in case of demat shares) in all their correspondence with the Companies Registrar to enable prompt reply to their queries.
12. With a view to using natural resources responsibly, we request shareholders to update their mail address, with their Depository Participants to enable the Company to send communications electronically. The Annual Report 2018-19 is being sent through electronic mode only to the members whose email addresses are registered with the Company /Depository Participant(s), unless any member has requested for a physical copy of their port. For members who have not registered their email addresses, physical copies of the Annual Report 2018-19 are being sent by the permitted mode.
13. In compliance with Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, substituted by Companies (Management and Administration) Amendment, Rules 2015, and Reg. 44 of the SEBI (LODR) REGULATIONS, 2015, the Company has provided a facility to the members to exercise their votes electronically through the electronic voting service facility arranged by National Securities Depository Limited (NSDL). Apart from e-facility for voting, through ballot paper, will also be made available at the AGM and the members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. The instructions for e-voting are appended herein below.

Nitesh Chaudhary, Practicing Company Secretary (Membership No: F-10010, Mumbai) has been appointed as the scrutinizer to act as scrutinizer for the purpose of Annual General Meeting (e-voting & Ballot Voting in 11<sup>th</sup> AGM).

14. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form are required to submit their PAN details to the Company.
15. All documents referred to in the Notice will be available for inspection at the Company's registered office during 11:00 am to 1:00 pm normal business working days up to the date of the AGM.



16. The shareholder needs to furnish the printed 'attendance slip' along with a valid identity proof such as the PAN card, passport, AADHAR card or driving license, to enter the AGM hall.
17. As per provisions of the Companies Act, 2013, facility for making nominations is available to INDIVIDUALS holding shares in the Company. The Nomination Form-2B prescribed by the Government can be obtained from the Share Transfer Agent or may be down loaded from the website of the Ministry of Company affairs. Information required to be furnished under Reg. 36 of the of the SEBI (LODR) REGULATIONS, 2015 for Directors retired by rotation/Appointment of Director /Reappointment/ratifications:

Information and other instructions relating to e-voting (NSDL) are as under:

1. In compliance with Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings (SS2) issued by the Institute of Companies Secretaries of India, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting by electronic means and the business may be transacted through e-voting services arranged by National Securities Depository Limited ("NSDL"). The Members may cast their votes using an electronic voting system from a place other than the venue of the Annual General Meeting ("remote e-voting"). Instructions for e-voting are given herein below.
2. The facility for voting through electronic voting system or ballot paper shall be made available at the Annual General Meeting and the Members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right to vote at the meeting.
3. The Members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the meeting but shall not be entitled to cast their vote again.
4. The remote e-voting period commences on, **27<sup>th</sup> September, 2019 (9:00 am)** and end on **29<sup>th</sup> September, 2019 (5:00 pm)**. During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **23<sup>rd</sup> September, 2019**, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
5. The process and manner for remote e-voting are as under:
  - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
    - (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
    - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
      - (i) Click on Shareholder -Login
      - (ii) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
      - (iii) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
      - (iv) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
      - (v) Select "EVEN" of "Yamini Investments Company Limited".

- (vi) Now you are ready for remote e-voting as Cast Vote page opens.
- (vii) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (viii) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (ix) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (x) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [csniteshchaudhary@gmail.com](mailto:csniteshchaudhary@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

A. In case a Member receives physical copy of the Notice of AGM) [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :

(i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:

**EVEN (Remote e-voting Event Number) USER IDPASSWORD/PIN**

(ii) Please follow all steps from Sl. No. (ii) To Sl. No. (xii) Above, to cast vote.

- I. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990
- II. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- III. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IV. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 23<sup>rd</sup> September, 2019.
- V. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 23<sup>rd</sup> September, 2019 may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [info@webelementinc.com](mailto:info@webelementinc.com)

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.

- VI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM)
- VII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- VIII. Mr. Nitesh Chaudhary, Practicing Company Secretary (Membership No. FCS 10010) has been appointed as the Scrutinizer for the Annual General Meeting E-voting facility providing to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- IX. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- X. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall give not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.



- XI. The Results of AGM voting will be declared along with the report of the Scrutinizer on 26<sup>th</sup> September and shall be placed on the website of the Company [www.webelementinc.com](http://www.webelementinc.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited.

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013, SPECIAL BUSINESS:**

The following explanatory statement sets out in detail all material facts relating to item of Special Business as mentioned in accompanying Notice convening the AGM of the Company

### **ITEM NO. 4:**

Ms Sunil Satyanarayan Sharma (DIN: 01568825) was appointed as an Independent Director by the Company with effect from 30th September, 2014 pursuant to Companies Act, 2013, read with Articles of Association of the Company. Pursuant to the provisions of the Companies Act, 2013, Ms Sunil Satyanarayan Sharma (DIN: 01568825) will hold office up to the date of the 5 Consecutive years. It is proposed to appoint Ms Sunil Satyanarayan Sharma (DIN: 01568825) as Independent Director under Section 149 of the Companies Act, 2013 and regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for a period of five consecutive i.e. up to the 16<sup>th</sup> Annual General Meeting of the company, and he shall not be liable to retire by rotation. In the opinion of the Board Ms Sunil Satyanarayan Sharma (DIN: 01568825) fulfils the conditions specified in the Act and rules made there under as also under the Listing Regulation for her appointment as Independent Director of the Company. Further Ms Sunil Satyanarayan Sharma (DIN: 01568825) is not disqualified from being appointed as Director in terms of Section 164 of the Act and have given her consent to act as Director. The Company has received notices in writing from member proposing her candidature for the office of Independent Director of the Company. The Company has also received declaration from the Director that she meets the criteria of Independence as prescribed both under sub section (6) of Section 149 of the Companies Act, 2013 and under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Ms Sunil Satyanarayan Sharma (DIN: 01568825) is interested in the above resolution as appointee as set out in item no. 4 of the Notice with regard to her appointment. Copy of the draft letter for appointment of Ms Sunil Satyanarayan Sharma (DIN: 01568825) as an Independent Director setting out the terms and conditions is available for inspection by members free of cost at the registered office of the Company at the time specified as above.

The Directors, therefore, recommend the Resolution as set out in item no. 4 for the approval of the Members of the Company. Except as disclosed above none of the Directors, Key Managerial Personnel and their relatives are in any way, financially or otherwise concerned or interested in this Resolution.

### **ITEM NO. 5:**

Mr. Kirankumar Navinchandra Shukla (DIN: 01568997) was appointed as an Independent Director by the Company with effect from 30th September, 2014 pursuant to Companies Act, 2013, read with Articles of Association of the Company. Pursuant to the provisions of the Companies Act, 2013, Mr. Kirankumar Navinchandra Shukla (DIN: 01568997) will hold office up to the date of the 5 Consecutive years. It is proposed to appoint Mr. Kirankumar Navinchandra Shukla (DIN: 01568997) as Independent Director under Section 149 of the Companies Act, 2013 and regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for a period of five consecutive i.e. up to the 16<sup>th</sup> Annual General Meeting of the company, and he shall not be liable to retire by rotation. In the opinion of the Board Mr. Kirankumar Navinchandra Shukla (DIN: 01568997) fulfils the conditions specified in the Act and rules made there under as also under the Listing Regulation for her appointment as Independent Director of the Company. Further Mr. Kirankumar Navinchandra Shukla (DIN: 01568997) is not disqualified from being appointed as Director in terms of Section 164 of the Act and have given her consent to act as Director. The Company has received notices in writing from member proposing her candidature for the office of Independent Director of the Company. The Company has also received declaration from the Director that she meets the criteria of Independence as

prescribed both under sub section (6) of Section 149 of the Companies Act, 2013 and under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Mr. Kirankumar Navinchandra Shukla (DIN: 01568997) is interested in the above resolution as appointee as set out in item no. 5 of the Notice with regard to her appointment. Copy of the draft letter for appointment of Mr. Kirankumar Navinchandra Shukla (DIN: 01568997) as an Independent Director setting out the terms and conditions is available for inspection by members free of cost at the registered office of the Company at the time specified as above.

The Directors, therefore, recommend the Resolution as set out in item no.5 for the approval of the Members of the Company. Except as disclosed above none of the Directors, Key Managerial Personnel and their relatives are in any way, financially or otherwise concerned or interested in this Resolution.

**By Order of the Board of Directors  
WEB ELEMENT SOLUTIONS LIMITED**

**Date: 29/08/2019  
Place: Mumbai**

**Sd/-  
Shailesh B. Patel  
(Whole Time Director)  
DIN: 02150718**

## DIRECTORS' REPORT FOR F.Y. 2018-19

To,  
The Members,  
Web Element Solutions Limited  
Mumbai

Your Directors have pleasure in presenting their 11<sup>th</sup> Annual Report of the Company together with the Audited Statements of Accounts for the financial year ended **31st March, 2019**:

### **1. FINANCIAL SUMMARY**

The Company's financial performance, for the year ended **March 31, 2019** is summarized below:

The Board's Report is prepared based on the stand alone financial statements of the company.

Particulars	Amount in Lakhs.	
	For the year ended 31 <sup>st</sup> March 2019	For the year ended 31 <sup>st</sup> March 2018
Income from Operations	141.43	100.95
Other Income	12.11	11.50
<b>TOTAL INCOME</b>	<b>153.54</b>	<b>112.46</b>
Profit and (Loss) before Depreciation and Tax	118.14	(3.72)
<b>PROFIT BEFORE TAX</b>	<b>17.63</b>	<b>(4.15)</b>
Less: Provision for Current/Deferred Tax	15.45	1.18
<b>PROFIT AND (LOSS) AFTER TAX</b>	<b>2.18</b>	<b>(2.97)</b>

### **2. RESULT HIGHLIGHTS**

- The company continues to be engaged in the business of providing end to end web solutions and there has been no change in the nature of business of your Company.
- Revenue from operations for the year under reference has shown a rise of around 40.10 % vis-à-vis the preceding financial year.
- The bottom line has also shown tremendous improvement. There is profit for the year (before tax). Further, there are no significant and material events impacting the going concern status and Company's operations in future.

### **3. DIVIDEND**

Your Directors are constrained not to recommend any dividend for the year under report.

### **4. TRANSFER TO RESERVE**

Your Directors find it prudent not to transfer any amount to general reserve.

### **5. SHARE CAPITAL**

The paid up equity share capital of the Company as on 31st March, 2019 was Rs. 6,77,51,000 divided into 67,75,100 shares of Rs. 10/- each. There has been no change in the capital structure of your Company.

### **6. MAJOR EVENTS DURING THE F.Y. 2018-19**

There was no major event in the company during the financial year to disclose here except the change in KMP if any, which is disclose in the point no. 8 along with the details of present Board and KMP.

### **7. EXTRACT OF ANNUAL RETURN**

The Extract of Annual Return as provided under Section 92(3) of the Companies Act, 2013 and as prescribed in Form No. MGT- 9 of the Companies (Management and Administration) Rules, 2014 is appended as **ANNEXURE I** to this Report.

## **8. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

The Board is properly constituted as per the provisions of the Companies Act, 2013. The Board at present comprises of:

<b>Sr. No.</b>	<b>Name</b>	<b>Designation</b>
1.	Mr. Shailesh B Patel	Whole Time Director
2.	Mr. Yadvendersingh Kanwar	Whole Time Director
3.	Mr. Nayan J Shah	Executive Director
4.	Mrs. Shrena K Shah	Executive Director cum CFO
5.	Mr. Sunil S Sharma	Independent Director
6.	Mr. Kirankumar N Shukla	Independent Director
7.	Mr. Samir Gajjar*	Independent Director (Resigned w.e.f. 12/08/2019)
8.	Mr. Vishal Mittal**	Company Secretary & Compliance Officer

\*Mr. Samir Gajjar Resigned as Director of the Company w.e.f 12<sup>th</sup> August 2019

\*\*Vishal Mittal Appointed as Company Secretary and Compliance Officer of the Company with effect from 14<sup>th</sup> November, 2018.

## **9. NUMBER OF BOARD MEETINGS**

During the year under reference, 5 (five) Board meetings were properly convened & held.

## **10. ANNUAL EVALUATION OF PERFORMANCE OF THE BOARD**

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual evaluation of its own performance, the directors individually, as well as the evaluation of the working of its Committees. The Company has devised a questionnaire to evaluate the performances of each of Executive and Independent Directors. Such questions are prepared considering the business of the Company and the expectations that the Board have from each of the Directors. The evaluation framework for assessing the performance of Directors comprises of the following key areas:

- i. Attendance of Board Meetings and Committee Meetings;
- ii. Quality of contribution to Board deliberations;
- iii. Strategic perspectives or inputs regarding future growth of the Company and its performance;
- iv. Providing perspectives and feedback going beyond information provided by the management.

## **11. REMUNERATION AND NOMINATION POLICY**

The Board has framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The details of this Policy are given in **ANNEXURE II** to this Report.

## **12. COMMITTEES OF THE BOARD:**

There are currently three Committees of the Board, as follows:

- I. Audit Committee
- II. Stakeholders' Relationship Committee
- III. Nomination and Remuneration Committee

## I. AUDIT COMMITTEE:

**Committee Constitution is as follows:**

Name of the Director	Designation	Nature of Directorship
Sunil Sharma	Chairman	Independent Director
KiranKumar N Shukla	Member	Independent Director
Samir Gujjar	Member	Independent Director

\*Company Secretary and Compliance Officer of our Company would act as the Secretary to the Audit Committee.

**Note:**

**\*Vishal Mittal Appointed as Company Secretary and Compliance Officer of the Company with effect from 14th November, 2018 is the secretary to the audit committee.**

**Terms & Scope of Work of Committee:**

1. Oversight of the Issuer's financial reporting process and 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, replacement, remuneration and terms of appointment of the statutory auditors and fixation of audit fee;
3. Approval of payments to the statutory auditors for any other services rendered by statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be stated 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; and
  - g. Qualifications and Modified opinions in the draft audit report.
5. Reviewing, with the management, the half yearly 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;
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, the performance of statutory and internal auditors and 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 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. 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 & background, etc. of the candidate; and
18. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The powers of Audit Committee:

- a) To investigate any activity within its terms of reference;
- b) To seek information from any employee;
- c) To obtain outside legal or other professional advice; and
- d) To secure attendance of outsiders with relevant expertise if it considers necessary

The audit committee shall mandatorily review the following information:

- a) Management discussion and analysis of financial condition and results of operations;
- b) Considering and resolving grievances of shareholder's, debenture holders and other security holders;
1. Redressal of grievances of the security holders of our Company, including complaints in respect of transfer of shares, non-receipt of declared dividends, balance sheets of our Company etc.;
2. Allotment of Equity Shares, approval of transfer or transmission of Equity Shares, debentures or any other securities;
3. Issue of duplicate certificates and new certificates on split/consolidation/renewal etc.;
4. Overseeing requests for dematerialization and rematerialization of Equity Shares; and
5. Carrying out any other function contained in the Equity Listing Agreement as and when amended from time to time.
6. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c) Management letters/letters of internal control weaknesses issued by the statutory auditors;
- d) Internal audit reports relating to internal control weaknesses; and
- e) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.

The quorum of Audit Committee shall be either 2 members or one third of the members of the Audit Committee whichever is greater with at least 2 Independent Directors.



## II. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

**Committee Constitution is as follows:**

Name of the Director	Designation	Nature of Directorship
Sunil Sharma	Chairman	Independent Director
Kiran Kumar N Shukla	Member	Independent Director
Samir Gujjar	Member	Independent Director

**Terms & Scope of Work of Committee:**

\*Company Secretary and Compliance Officer of our Company would act as the Secretary to the Audit Committee.

**Note:**

**\*Vishal Mittal Appointed as Company Secretary and Compliance Officer of the Company with effect from 14th November, 2018 is the secretary to the audit committee.**

The terms of reference of the Stakeholder's Relationship Committee include the following:

## III. NOMINATION AND REMUNERATION COMMITTEE:

Committee Constitution is as follows;

Name of the Director	Designation	Nature of Directorship
Sunil Sharma	Chairman	Independent Director
KiranKumar N Shukla	Member	Independent Director
Samir Gujjar	Member	Independent Director

**Terms & Scope of Work of Committee:**

\*Company Secretary and Compliance Officer of our Company would act as the Secretary to the Audit Committee.

**Note:**

**\*Vishal Mittal Appointed as Company Secretary and Compliance Officer of the Company with effect from 14th November, 2018 is the secretary to the audit committee.**

**The terms of reference of the Nomination and Remuneration Committee are:**

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to our Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and our Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
5. Considering and recommending grant if employees stock option, if any, and administration and superintendence of the same; and
6. Carrying out any other function contained in the Equity Listing Agreement as and when amended from time to time.

## 13. AMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS:

The Company has practice of conducting familiarization programme for Independent Directors of the Company.

## 14. DECLARATION BY INDEPENDENT DIRECTORS:

The Independent Directors of your Company have submitted the declaration of Independence as required under Section 149(7) of the Companies Act, 2013 confirming that they meet the criteria of independence under Section 149(6) of the Companies Act, 2013.

#### **15. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:**

The Policy of the Company on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of section 178, is appended as **Annexure II** to this Report.

#### **16. DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to Section 134 (3) (c) read with Section 134 (5) of the Act, on the basis of information placed before them, the Directors state that:

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii. appropriate accounting policies have been selected and applied consistently, and the judgments and estimates that have been made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2019 and of the Loss of the Company for the said period;
- iii. proper and sufficient care has been taken for the 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 fraud and other irregularities;
- iv. the annual accounts have been prepared on a going concern basis;
- v. the internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- vi. There is a proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **17. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

#### **18. INSTANCES OF FRAUD, IF ANY REPORTED BY THE AUDITORS:**

There have been no instances of fraud reported by the Auditors under Section 143(12) of the Companies Act, 2013.

#### **19. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

As required under the Listing Regulation entered into with BSE Ltd., Management Discussion and Analysis Report is presented in the separate section and forms an integral part of the Directors' Report.

#### **20. PARTICULARS OF LOANS, GUARANTEES, OR INVESTMENTS:**

The details of Loans given, Investments made and guarantees given and securities provided under the Section 186 of the Companies Act, 2013, are as provided in the notes to the Financial Statements.

#### **21. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

Accordingly, the disclosure of Related Party Transactions as required under Section 134(3) of the Companies Act in Form AOC-2 is not applicable. Attention of the members is drawn to the disclosures of transactions with the related parties is set out in Notes to Accounts forming part of the financial statement.

**22. PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Your Company has not carried out any business activities warranting conservation of the energy and technology absorption in accordance with Section 134 (3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014. During the year under consideration the Company has spent/incurred foreign exchange equivalent to Rs. Nil. There is no foreign exchange earnings during the year.

**23. RISKS MANAGEMENT AND AREA OF CONCERN:**

The Company has laid down a well-defined Risk Management Policy covering the risk mapping, trend analysis, risk exposure, potential impact and risk mitigation process. A detailed exercise is being carried out to identify, evaluate, manage and monitoring of both business and non-business risk. The Board periodically reviews the risks and suggests steps to be taken to control and mitigate the same through a properly defined framework.

Although, market conditions are likely to remain competitive, future success will depend upon offering improved products through technology innovation and productivity. The Company continues to invest in these areas.

**24. CORPORATE SOCIAL RESPONSIBILITY:**

The Company has not developed or implemented any CSR initiatives. The provisions contained in section 135 of the Companies Act, 2013, as well as the Companies (Corporate Social Responsibility Policy) Rules, 2014 are not applicable to your Company for the year under reference.

**25. CHANGE IN THE NATURE OF BUSINESS:**

During the year under review there is no change in the nature of Business of the Company.

**26. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:**

The Company does not have any subsidiary Joint Venture, Associate Company or LLPs during the year under review.

**27. DETAILS RELATING TO DEPOSITS, COVERED UNDER CHAPTER V OF THE COMPANIES ACT 2013:**

The Company has not accepted any public deposits and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

**28. DETAILS RELATING TO DEPOSITS, WHICH ARE NOT IN COMPLIANCE WITH THE REQUIREMENTS UNDER CHAPTER V OF THE COMPANIES ACT 2013:**

During the year under review your Company has not accepted Deposits which are not in compliance with the requirements under Chapter V of Companies Act, 2013.

**29. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:**

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.

**30. INTERNAL FINANCIAL CONTROL SYSTEM:**

Your Company has an internal financial control system commensurate with the size, scale and complexity of its operations. The Audit Committee has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. The Audit Committee has a process for timely check for compliance with the operating systems, accounting procedures and policies. Major risks identified by the businesses and functions are systematically addressed through mitigating action on continuing basis.

**31. STATUTORY AUDITORS & REPORT OF THE AUDITORS:**

M/s. SDG & CO, Chartered Accountants (FRN No. 137864W), Mumbai are propose to be appointed as Statutory Auditors of the Company in place of Auditor M/s. Agarwal Desai & Shah (FRN 124850W), for a term of Five Consecutive Years from the conclusion of 11th Annual General Meeting till the conclusion of the 16th Annual General Meeting (AGM) of the Company, subject to ratification by the members at every AGM held after this 11th AGM, to examine and audit the accounts of the Company on such remuneration plus reimbursement of out-of-pocket expense, as may be mutually agreed between the Board of Directors/ Audit Committee of the Company and the Statutory Auditors.

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s. Agarwal Desai & Shah (FRN 124850W), Statutory Auditors, in their Report on the accounts of the Company for the year under reference. The observations made by them in their Report are self-explanatory and do not call for any further clarifications from the Board.

**32. SECRETARIAL AUDIT REPORT:**

The Board of Directors of the Company has appointed M/s. Nitesh Chaudhary, Practicing Company Secretaries; to conduct the Secretarial Audit and his Report on Company's Secretarial Audit Report is appended to this Report as ANNEXURE-III. There are no qualifications, reservations or adverse remarks or disclaimers made by M/s. Nitesh Chaudhary, Practicing Company Secretaries, in their secretarial audit report except what have been specifically mentioned the Report which is self-explanatory. The Board is taking necessary steps to ensure proper compliance with regard to the qualifications in the Report.

**33. COST AUDITORS:**

The Board of Directors of the Company here confirmed that according to the Companies working and business the company does not required to appoint the Cost Auditor as per the Section 148 of the Companies Act, 2013.

**34. WHISTLE BLOWER POLICY/ VIGIL MECHANISM:**

The Company has a Whistle Blower Policy in line with the provisions of the Section 177 of the Companies Act, 2013. This policy establishes a vigil mechanism for directors and employees to report their genuine concerns actual or suspected fraud or violation of the Company's code of conduct. The said mechanism also provides for adequate safeguards against victimisation of the persons who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee. We confirm that during the financial year 2018-19, no employee of the Company was denied access to the Audit Committee. The said Whistle Blower Policy is available on the website of the Company at [www.webelementinc.com](http://www.webelementinc.com).

**35. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT 2013:**

Your Company is committed to creating and maintaining an atmosphere in which employees can work together, without fear of sexual harassment, exploitation and intimidation. Accordingly the Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act 2013. Internal Complaints Committee (ICC) was set up to redress complaints received regarding sexual harassment. All employees (Permanent, Contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year:

No. of Complaints received	Nil
No. of Complaints disposed off	Nil

**36. PARTICULARS OF EMPLOYEES:**

Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of the Companies Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been appended as ANNEXURE IV to this Report. There were no such employees of the Company for which the information required to be disclosed pursuant to Section 197 of the Companies Act read with Rule 5(2)&(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules.

**37. ACKNOWLEDGEMENT:**

Your Directors wish to place on record their appreciation and sincere thanks to the State Governments, Government agencies, Banks & Financial Institutions, customers, shareholders, vendors and other related organizations, who through their continued support and co-operation have helped, as partners in your Company's progress. Your Directors, also acknowledge the hard work, dedication and commitment of the employees.

**Date: 29/08/2019**  
**Place: Mumbai**

**By Order of the Board of Directors**  
**WEB ELEMENT SOLUTIONS LIMITED**  
Sd/- Sd/-  
**Shailesh B. Patel** **Y.S KANWAR**  
**(Whole Time Director)** **(Whole Time Director)**  
**DIN: 02150718** **DIN:02150704**

**Annexure - I**  
**Form No. MGT-9**  
**Extract Of Annual Return as on the financial year ended on 31st March, 2019**

**[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:	U72200MH2008PLC182320
2	Registration Date:	16/05/2008
3	Name of the Company:	Web Element Solutions Limited
4	Category / Sub-Category of the Company:	Company having Share Capital
5	Address of the Registered office:  Contact details:	301, Corporate Arena, Off. Aarey Piramal Cross Road, Behind Mahindra Gardens, Goregaon (West) Mumbai - 400062 Tel No. 022- 67828282 E-mail:info@webelementinc.com
6	Whether listed company	Yes
7	Name, Address and Contact details of Registrar and Transfer Agent, if any.	Purva Sharegistry (India) Private Limited Unit no. 9, Shiv Shakti Ind. Estt., J. R. Boricha Marg, Lower Parel (E), Mumbai -400 011 Tel No. 022 - 2301 6761 / 2518 E-mail: busicomp@vsnl.com/busicomp@gmail.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company:

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Computer software programming, consultancy & related activities	72291 & 72292	55.80%
2	Web portals designing, hoisting, maintenance & related services	72294	44.20%

**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
1	N.A.	-	-	-	-



## SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

### I. CATEGORY-WISE SHAREHOLDING:

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01.04.2018)				No. of Shares held at the end of the year (As on 31.03.2019)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	14,80,000	NIL	14,80,000	21.84	14,80,000	NIL	14,80,000	21.84	0
b) Central Govt.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) State Govt.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) Bodies Corporate	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e) Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
f) Any other...	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Sub-Total A(1)</b>	<b>14,80,000</b>	<b>NIL</b>	<b>14,80,000</b>	<b>21.84</b>	<b>14,80,000</b>	<b>NIL</b>	<b>14,80,000</b>	<b>21.84</b>	<b>0</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b) Other - Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) Bodies Corporate	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) Bank/ FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e) Any Other...	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Sub- Total (A)(2):</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
<b>Total Shareholding of Promoters (A)=(A)(1) + (A)(2)</b>	<b>14,80,000</b>	<b>NIL</b>	<b>14,80,000</b>	<b>21.84</b>	<b>14,80,000</b>	<b>NIL</b>	<b>14,80,000</b>	<b>21.84</b>	<b>0</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Fund / UTI/LIC	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b) Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) Central Govt.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) State Govt.(s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e) Alternate Investor Fund/Venture Capital Funds	5,00,000	NIL	5,00,000	7.38	5,00,000	NIL	5,00,000	7.38	NIL
f) Insurance Companies	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
g) FIIs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
h) Foreign Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
i) Others (specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Sub-Total (B)(1):</b>	<b>5,00,000</b>	<b>NIL</b>	<b>5,00,000</b>	<b>7.38</b>	<b>5,00,000</b>	<b>NIL</b>	<b>5,00,000</b>	<b>7.38</b>	<b>NIL</b>
<b>(2) Non - Institutions</b>									
a) Bodies Corporate									
i) Indian	5,25,500	NIL	5,25,500	7.76	2,23,750	NIL	2,23,750	3.30	(4.46)
ii) Overseas	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b) Individuals									
i) Individual Shareholders holding nominal share capital upto 2 lakh	1,41,112	NIL	1,41,112	2.08	141012	NIL	141012	2.08	0.00
ii) Individual Shareholders holding nominal share capital in excess of 2 lakh	41,28,488	NIL	41,28,488	60.94	43,11,238	NIL	43,11,238	63.63	2.69
c) Others (HUF, Clearing Members, Foreign Nationals, NRI, Trust)	NIL	NIL	NIL	NIL	119100	NIL	119100	1.75	1.75
<b>Sub - Total (B)(2)</b>	<b>47,95,100</b>	<b>NIL</b>	<b>47,95,100</b>	<b>70.77</b>	<b>43,25,100</b>	<b>NIL</b>	<b>4325100</b>		<b>NIL</b>
<b>Total Public Shareholding</b>	<b>52,95,100</b>	<b>NIL</b>	<b>52,95,100</b>	<b>78.16</b>	<b>52,95,100</b>	<b>NIL</b>	<b>52,95,100</b>	<b>78.16</b>	<b>NIL</b>

<b>(B)=(B)(1)+ (B)(2)</b>									
<b>C. Share held by Custodian for GDRs &amp; ADRs</b>	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Grand Total (A+B+C)</b>	<b>67,75,100</b>	<b>NIL</b>	<b>67,75,100</b>	<b>100</b>	<b>67,75,100</b>	<b>NIL</b>	<b>67,75,100</b>	<b>100</b>	<b>NIL</b>

## ii. Shareholding of Promoters:

Name of Promoter shareholders	Shareholding at the beginning of the year (As on 01.04.2018)			Shareholding at the end of the year (As on 31.03.2019)			% Change in Shareholding during the year
	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	
<b>A. Individuals</b>							
a. Shailesh B Patel	6,500	0.10	NIL	6,500	0.10	NIL	NIL
b. Yadvender Singh S Kanwar	8,400	0.12	NIL	8,400	0.12	NIL	NIL
c. Nayan J Shah	14,50,000	21.40	NIL	14,50,000	21.40	NIL	NIL
d. Purvi K Shah	5,800	0.08	NIL	5,800	0.08	NIL	NIL
e. Shrena K Shah	9,300	0.14	NIL	9,300	0.14	NIL	NIL
<b>Total</b>	<b>14,80,000</b>	<b>21.84</b>	<b>NIL</b>	<b>14,80,000</b>	<b>21.84</b>	<b>NIL</b>	<b>NIL</b>

## iii. Change in Promoters' Shareholding (Please specify, if there is no change):

Particulars	Shareholding at the beginning of the year (As on 01.04.2018)		Cumulative Shareholding during the year (From 01.04.2018 to 31.03.2019)	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	NIL	NIL	NIL	NIL
	NIL	NIL	NIL	NIL

## iv. Shareholding Pattern of Top Ten Shareholders (Other than Director, Promoters and Holders of GDRs and ADRs):

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (As on 01.04.2018)		Cumulative Shareholding during the year (From 01.04.2018 to 31.03.2019)	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
VISHAL VIJAY SHAH	6,04,190	8.90	6,04,190	8.90
NEXT ORBIT VENTURES FUND	5,00,000	7.4	500,000	7.4
HINAL RAJENDRA SHAH	2,00,000	3.0	2,00,000	3.0
NITIN ANANTRAI VORA	1,50,000	2.2	1,45,000	2.1
CHETNA NITIN VORA	1,50,000	2.2	1,45,000	2.1
TARLABEN RAJENDRA SHAH	2,00,000	3.0	1,44,305	2.1
DIKSHIT KUMAR CHOUDHARY	-	-	1,39,240	2.1
YOGESH DHARNIDHARKA	1,08,230	1.6	1,18,230	1.75
DKC TRADING PRIVATE LIMITED	1,16,190	1.7	1,16,190	1.7
RAVINDRA KISAN MANDAVKAR	1,10,500	1.6	1,10,500	1.6
RAKESH KRISHNA RANE	1,09,550	1.6	1,09,550	1.6

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

	Name of Director			
For Each of the Director	Shareholding at the beginning of the year (As on 01.04.2018)		Shareholding at the end of the year (As on 31.03.2019)	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
<b>Yadvender Singh Sukhpal singh Kanwar - Whole-time Director</b>				
At the beginning of the year	8,400	0.12	8,400	0.12
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/Decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)	NIL	NIL	NIL	NIL
At the end of the year	8,400	0.12	8,400	0.12
<b>Shailesh Becharbhai Patel - Whole-time Director</b>				
At the beginning of the year	6,500	0.10	6,500	0.10
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/Decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)	NIL	NIL	NIL	NIL
At the end of the year	6,500	0.10	6,500	0.10
<b>Nayan Jaswant Kumar Shah -Director</b>				
At the beginning of the year	14,50,000	21.40	14,50,000	21.40
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/Decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)	NIL	NIL	NIL	NIL
At the end of the year	14,50,000	21.40	14,50,000	21.40
<b>Sunil Satyanarayan Sharma - Non-Executive Independent Director</b>				
At the beginning of the year	-	-	-	-
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/Decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)	No change during the year			
At the end of the year	-	-	-	-
<b>Kirankumar Navinchandra Shukla - Non-Executive Independent Director</b>				
At the beginning of the year	-	-	-	-
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/Decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)	No change during the year			
At the end of the year	-	-	-	-
<b>Samir Gajjar - Non-Executive Independent Director</b>				
At the beginning of the year	-	-	-	-
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/Decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)	No change during the year			
At the end of the year	-	-	-	-
<b>Vishal Mittal - Company Secretary &amp; Compliance Officer</b>				
At the beginning of the year	-	-	-	-
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/Decrease (eg. Allotment/	No change during the year			

transfer/ bonus/ sweat equity etc.)				
At the end of the year	-	-	-	-
<b>Shrena K Shah -Director &amp; CFO</b>				
At the beginning of the year	9,300	0.14	9,300	0.14
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/Decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)	No change during the year			
At the end of the year	<b>9,300</b>	<b>0.14</b>	<b>9,300</b>	<b>0.14</b>

#### IV. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/ accrued but not due for payment

Particulars	Secured Loans	Unsecured Loan	Deposits	Total Indebtedness (In Rupees)
<b>Indebtedness at the beginning of the financial year (01- 04- 2018)</b>				
i) Principal Amount	5,66,529	12,95,000	NIL	18,61,529
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>5,66,529</b>	<b>12,95,000</b>	<b>NIL</b>	<b>18,61,529</b>
<b>Change in Indebtedness</b>				
Addition	44,334	26,56,087	NIL	27,00,421
Reduction	NIL	(26,67,137)	NIL	(26,67,137)
<b>Net Change</b>	<b>44,334</b>	<b>11,050</b>	<b>NIL</b>	<b>55,384</b>
<b>Indebtedness at the end of the financial year (31- 03- 2019)</b>				
i) Principal Amount	6,10,863	12,83,950	NIL	18,94,813
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>6,10,863</b>	<b>12,83,950</b>	<b>NIL</b>	<b>18,94,813</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and / or Manager:

(In Rs.)

Sr. No.	Particulars of Remuneration	Yadvender Singh Kanwar (WTD) Total Amount	Shailesh B Patel (WTD) Total Amount
	Gross Salary		
1	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	8,40,000	2,40,000
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	NIL	NIL
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	NIL	NIL
2	Stock Options	NIL	NIL
3	Sweat Equity	NIL	NIL
4	Commission	NIL	NIL
	- as % of profit	NIL	NIL
	Others, specify.....	NIL	NIL
5	Others, please specify	NIL	NIL
	<b>Total (A)</b>	<b>8,40,000</b>	<b>2,40,000</b>

### B. Remuneration to other Directors: NIL

### C. Remuneration to key managerial personnel other than MD/Manager/WTM

Sr. No.	Particulars of Remuneration	Shrena K Shah (CFO) Total Amount	# Vishal Mittal Company Secretary	Total
1	Gross Salary	1,92,000	60,800	2,52,800
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	NIL	NIL	NIL
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	NIL	NIL	NIL
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	NIL	NIL	NIL
2	Stock Options	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL
4	Commission	NIL	NIL	NIL
	as % of profit	NIL	NIL	NIL
	Others, specify.....	NIL	NIL	NIL
5	Others, please specify	NIL	NIL	NIL
	<b>Total (C)</b>	<b>1,92,000</b>	<b>60,800</b>	<b>2,52,800</b>

# Worked for part of the year and resigned during the financial year.

## VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Property/ Punishment/ Compounding fees imposed	Authority	Appeal made, if any (give details)
				[RD/NCLT/COURT]	
A) COMPANY					
Penalty	None				
Punishments					
Compounding					
B) DIRECTORS& C) OTHER OFFICERS IN DEFAULT					
Penalty	None				
Punishments					
Compounding					

**Date: 29/08/2019**  
**Place: Mumbai**

By Order of the Board of Directors  
**WEB ELEMENT SOLUTIONS LIMITED**  
Sd/- Sd/-  
**Shailesh B. Patel Y.S KANWAR**  
**(Whole Time Director) (Whole Time Director)**  
**DIN: 02150718 DIN:02150704**



## **1. OBJECTIVE:**

The Nomination, Remuneration and Compensation Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 42 under the Model Listing Agreement (as amended from time to time) The Key Objectives of the Committee would be:

- 1.1 To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- 1.2 To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- 1.3 To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- 1.4 To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- 1.5 To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- 1.6 To devise a policy on Board diversity
- 1.7 To develop a succession plan for the Board and to regularly review the plan;
- 1.8 To formulate detailed ESOS Plan and the terms and conditions thereof including but not limited to determination of the Exercise Price, Exercise Period, Lock – in period, consequence of failure to exercise option, method of valuation, accounting policies, disclosures, etc and matters related thereto.

## **2. DEFINITIONS:**

- 2.1. Act means the Companies Act, 2013 and Rules framed there under, as amended from time to time.
- 2.2. Board means Board of Directors of the Company.
- 2.3. Directors mean Directors of the Company.
- 2.4. Key Managerial Personnel means
  - 2.4.1. Managing Director;
  - 2.4.2. Whole-time director;
  - 2.4.3. Chief Financial Officer;
  - 2.4.4. Company Secretary; and
  - 2.4.5. Such other officer as may be prescribed.
- 2.5. Senior Management means Senior Management means personnel of the company who are members of its core management team excluding the Board of Directors including Functional Heads.

## **3. ROLE OF COMMITTEE:**

The Committee shall:

### **3.1 Terms of reference**

- 3.1.1. Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- 3.1.2. Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial in accordance with the criteria laid down in this policy.
- 3.1.3. Recommend to the Board, appointment Remuneration and removal of Director, KMP and Senior Management Personnel.
- 3.1.4 formulate detailed ESOS Plan and the terms and conditions thereof including but not limited to determination of the Exercise Price, Exercise Period, Lock – in period, consequence of failure to exercise option, method of valuation, accounting policies, disclosures, etc and matters related thereto.

### **3.2 Policy for appointment and removal of Director, KMP and Senior Management**

- 3.2.1. Appointment criteria and qualifications

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he /she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Managing Director or Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

### **3.2.2. Term / Tenure**

- a) Managing Director/Whole-time Director:  
The Company shall appoint or re-appoint any person as its Managing Director or Whole-time Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.
- b) Independent Director:
  - An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
  - No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on date as may be determined by the Committee as per regulatory requirement; he/she shall be eligible for appointment for one more term of 5 years only.
  - At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

### **3.2.3. Evaluation**

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

### **3.2.4. Removal**

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

### **3.2.5. Retirement**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

## **3.3. Policy relating to the Remuneration for the Managing Director or Whole- time Director, KMP and Senior Management Personnel**

### **3.3.1. General**

- a) The remuneration / compensation / commission etc. to the Managing Director or Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- b) The remuneration and commission to be paid to the Managing Director or Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down as per the provisions of the Act and in line with the Company's policy.
- c) Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Managing Director or Whole-time Director.
- d) Where any insurance is taken by the Company on behalf of its Managing Director or Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

### **3.3.2. Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:**

#### **a) Fixed pay:**

The Managing Director or Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

#### **b) Minimum Remuneration**

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director or Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

#### **c) Provisions for excess remuneration**

If any Managing Director or Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company.

The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

### **3.3.3. Remuneration to Non- Executive / Independent Director**

#### **a) Remuneration / Commission**

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and/or the Act.

#### **b) Sitting Fees**

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs. One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

### **c) Commission**

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

### **d) Stock Options**

An Independent Director shall not be entitled to any stock option of the Company.

## **4. MEMBERSHIP**

4.1 The Committee shall consist of a minimum 3 non-executive directors, majority of them being independent.

4.2 Minimum two (2) members shall constitute a quorum for the Committee meeting.

4.3 Membership of the Committee shall be disclosed in the Annual Report.

4.4 Term of the Committee shall be continued unless terminated by the Board of Directors.

## **5. CHAIRPERSON**

5.1 Chairperson of the Committee shall be an Independent Director.

5.2 Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.

5.3 In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.

5.4 Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

## **6. FREQUENCY OF MEETINGS**

The meeting of the Committee shall be held at such regular intervals as may be required.

## **7. COMMITTEE MEMBERS' INTERESTS**

7.1 A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.

7.2 The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

## **8. SECRETARY**

The Company Secretary of the Company shall act as Secretary of the Committee.

## **9. VOTING**

9.1 Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.

9.2 In the case of equality of votes, the Chairman of the meeting will have a casting vote.

## **10. NOMINATION DUTIES**

The duties of the Committee in relation to nomination matters include:

10.1 Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;

10.2 Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;

- 10.3 Identifying and recommending Directors who are to be put forward for retirement by rotation.
- 10.4 Determining the appropriate size, diversity and composition of the Board;
- 10.5 Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- 10.6 Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- 10.6 Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- 10.7 Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- 10.8 Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- 10.9 Recommend any necessary changes to the Board; and
- 10.10 Considering any other matters, as may be requested by the Board.

## **11. REMUNERATION DUTIES**

The duties of the Committee in relation to remuneration matters include:

- 11.1 to consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.
- 11.2 to approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.
- 11.3 to delegate any of its powers to one or more of its members or the Secretary of the Committee.
- 11.4 to consider any other matters as may be requested by the Board.
- 11.5 Professional indemnity and liability insurance for Directors and senior management.

## **12. MINUTES OF COMMITTEE MEETING**

Proceedings of all meetings must be minutes and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

**ANNEXURE-III  
TO THE DIRECTORS' REPORT**

**Form No. MR-3  
SECRETARIAL AUDIT REPORT**

**For the financial year ended 31st March 2019**

**[Pursuant to section 204 (1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

**To,  
The Members,  
M/s WEB ELEMENT SOLUTIONS LIMITED  
MUMBAI**

I have conducted the Secretarial Audit of the applicable compliance & statutory provisions and the adherence to corporate practices by **M/s WEB ELEMENT SOLUTIONS LIMITED**. (herein after called the 'Company') for the audit period covering the financial year from 01<sup>st</sup> April 2018 to 31<sup>st</sup> March 2019 ('the audit period'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the 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 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 March 31, 2019 according to the provisions of and the extent applicable;

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the **M/s WEB ELEMENT SOLUTIONS LIMITED** for the financial year ended on 31<sup>st</sup> March, 2019 according to the provisions of:

1. The Companies Act, 2013 ('the Act') and the Rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 and the Rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:
  - 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, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; *As the company has not issued any shares during the financial year under review; the said regulations was not applicable to the Company;*
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 - *As the Company has not issued any shares/options to*

*directors/employees under the said guidelines / regulations during the year under review, the said regulation was not applicable to the company;*

- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – *As the Company has not issued any debt securities which were listed during the year under review, the said regulation are not applicable to the company;*
  - f) The Securities and Exchange Board of India (Registration to an Issue and Share Transfers Agents) Regulations, 1993 – *As the Company is not registered as Registrar to Issue and Share Transfer Agent during the year under review, the said regulation are not applicable to the company;*
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - *The equity shares of the company are neither delisted nor proposed to be delisted. Hence the provision of said regulation are not applicable to the company;*
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - *The Company has not bought back or propose to buy-back any of its securities during the year under review, the said regulation are not applicable to the company;*
6. Having regards to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis, the following laws are also applicable on company;
- Sale of Goods Act, 1930
  - Maharashtra state Tax on Professions, Trades, Callings and Employments Act 1975;
  - The Equal Remuneration Act, 1976;
  - Bombay Shops and Establishments Act, 1948;

I have also examined compliance with the applicable clauses of the following

- Secretarial Standards with respect to Meeting of Board of Director(SS-1), General Meeting (SS-2) and Dividend (SS-3) issued by The Institute of Company Secretaries of India related to Board meetings, General Meeting and Dividend;
- The Listing Regulations Issued by the SEBI i.e. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except the following observation:

1. Under review the company has delayed filing to the BSE Ltd. (Stock Exchange) about Disclosure of Voting results of AGM (Regulation 44(3) of SEBI (LODR) Regulations, 2015) with respect to the 10<sup>th</sup> Annual General Meeting of the Company.
2. Under review the Company has delayed filing to the BSE Ltd. (Stock Exchange) Audited Financial Result for the March 2018,

**I further report that**

- 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.
- Proper notice is given to all Directors to schedule the Board meetings in compliance with the provisions of Section 173(3) of the Companies Act, 2013, 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.



- Decisions at the meetings of the Board of Directors of the Company were carried through on the basis of majority. There were no dissenting views by any member of the Board of Directors during the period under review.
- The Company has appointed Company Secretary during the year dated 14<sup>th</sup> November 2019 in place of previous company secretary who resigned from post of Company Secretary.

I further report that 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 except granting of Loans and scale of operation over purchase and sale of shares, inventory and for expenses incurred.

I further Inform/report that during the year under review, the following events or actions had a major bearing on its affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:

I further report that:

- During the audit period, there were no instances of:
  - (i) Public/Rights/Preferential issue of Shares/debentures/ sweat equity.
  - (ii) Redemption/buy-back of securities.
  - (iii) Merger/ amalgamation/ reconstruction etc.
  - (iv) Foreign technical collaborations.

**Note:** This report is to be read with our letter of even date which is annexed as “**Annexure A**” and forms an integral part of this report.

**For Nitesh Chaudhary**  
**Practicing Company Secretary**  
**CP No.: 16275**

**Sd/-**  
**Nitesh Chaudhary**  
**Proprietor**  
**FCS No. 10010**

**Place: Mumbai**  
**Date: 07/08/2019**

**"ANNEXURE - A**  
**TO THE SECRETARIAL AUDITOR'S REPORT"**

**To,**  
**The Member,**  
**M/s WEB ELEMENT SOLUTIONS LIMITED**  
**Mumbai**

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, we have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Nitesh Chaudhary**  
**Practicing Company Secretary**  
**CP No.: 16275**

**Sd/-**  
**Nitesh Chaudhary**  
**Proprietor**  
**FCS No. 10010**

**Place: Mumbai**  
**Date: 07/08/2019**

**ANNEXURE-IV**  
**TO THE DIRECTORS' REPORT**

**DISCLOSURES PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 ARE AS UNDER:**

Sr. No	Disclosure Requirement	Disclosure Details		
		Director	Designation	Ratio
1	The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2018-19	Yadvendersingh S Kanwar	Whole Time Director	10.82
		Shailesh B Patel	Whole Time Director	3.09
		Nayan J Shah	Executive Director	NA
		Sunil Sharma	Independent Director	NA
		Kirankumar N Shukla	Independent Director	NA
		Samir Gajjar	Independent Director	NA
		Shrena K Shah	Executive Director	2.47
2	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	<b>Directors and other Key Managerial Personnel</b>	<b>Designation</b>	<b>% increase in remuneration</b>
		Yadvendersingh S Kanwar	Whole Time Director	NIL
		Shailesh B Patel	Whole Time Director	NIL
		Nayan J Shah	Executive Director	NA
		Sunil Sharma	Independent Director	NA
		Kirankumar N Shukla	Independent Director	NA
		Samir Gajjar	Independent Director	NA
		Shrena K Shah	Executive Director	66.96%
		Vishal Mittal	Company Secretary	Nil
3	The percentage increase in the median remuneration of employees in the financial year	5.89%		
4	The number of permanent employees on the rolls of Company	22		

5	The explanation on the relationship between average increase in remuneration and Company performance	<b>Recommendation for increase in remuneration is based on the following factors:</b> <ul style="list-style-type: none"> <li>• <b>Compensation trends based on industry benchmarking</b></li> <li>• <b>Compensation positioning vis-à-vis market trend</b></li> <li>• <b>Alignment between risks and remuneration</b></li> <li>• <b>Applicable regulatory guidelines</b></li> </ul>
6	Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company	Revenue from operations increased by 40.10% to Rs. 141.43 lacs as of March 31, 2019 from 100.95 lacs as of March 31, 2018 whereas the remuneration to KMP has increased by 6%. The increase corresponds to an overall increase in remuneration across the Board.
7	Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer	<p>Market capitalisation of the company as at March 31, 2019 was Rs. 169.38 crores as compared to Rs. 185.64 crores in previous year showing a decrease of around 8.78%.</p> <p>Price earnings ratio as at March 31, 2019 was 11364 as compared to previous year was (6227).</p> <p>Market price of the share as at March 31, 2019 was Rs. 250 as compared to Rs. 274 in previous year showing a decrease of around 8.76%.</p> <p>The market price as at March 31, 2018 shows an increase of around 2500% as compared to last public offer price of Rs.10/- each</p>
8	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	N.A.

9	Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company	<b>Key Managerial Personnel</b>	<b>Designation</b>	<b>Remuneration - FY 2018-19 % PBT</b>
		Yadvendersingh S Kanwar	Whole-Time Director	NA (in view of negative PBT)
		Shailesh B Patel	Whole-Time Director	-DO-
		Shrena Shah	CFO	-DO-
		Rohit Sharma	Company Secretary	-DO-
10	Key parameters for any variable component of remuneration availed by the directors	N.A.		
11	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	0.84		
12	It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial personnel and Senior Management	The Company is in compliance with its compensation policy.		

**Date: 29/08/2019**  
**Place: Mumbai**

**By Order of the Board of Directors**  
**WEB ELEMENT SOLUTIONS LIMITED**  
**Sd/-** **Sd/-**  
**Shailesh B. Patel** **Y.S KANWAR**  
**(Whole Time Director)** **(Whole Time Director)**  
**DIN: 02150718** **DIN:02150704**

## Annexure V

### A. General Shareholder Information:

a.	<b>AGM: Day, Date, Time and Venue</b>	<b>301, CORPORATE ARENA, OFF.AAREY PIRAMAL CROSS ROAD,BEHIND MAHINDRA GARDENS, GOREGAON (WEST) MUMBAI: 400062</b>
b.	<b>Financial Year</b>	1 <sup>st</sup> April, 2018 to 31 <sup>st</sup> March, 2019
c.	<b>Date of Book Closure</b>	Monday 24 <sup>th</sup> September, 2019 to Saturday 30 <sup>th</sup> September, 2019
d.	<b>Listing on Stock Exchanges</b>	The Shares of the Company are listed on The Bombay Stock Exchange Ltd (SME Segment)  <b>BSE Limited</b>  25 <sup>th</sup> Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 4000 01
e.	<b>Scrip Code</b>	780016
f.	<b>Scrip ID</b>	WEBELEMENT
g.	<b>ISIN</b>	INE562Q01017
h.	<b>Payment of Listing Fee</b>	The Company confirms that it has paid Annual listing fees due to the stock exchange for the financial year 2018-2019
i.	<b>Market Price Data (High, Low during each month in last financial year 2018-19)</b>	Not available on Exchange Web Site
j.	<b>Registrar and share transfer agents</b>	Purva Sharegistry (India) Pvt. Ltd. 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Lower Parel (East) ,Mumbai-400011

### B. Other Information

#### i. Quarterly and Half-yearly financial results

The Half yearly and Annual Results of the Company are available on the website of the Company [www.webelementinc.com](http://www.webelementinc.com) The Half-Year Results and Annual Results of the Company are regularly submitted to the Stock Exchanges in accordance with the Listing Agreement and are published in a English and vernacular daily newspaper.

The 'Investors' section on the Company's website keeps the investors updated on material developments in the Company by providing key and timely information such as Financial Results, Annual Reports etc. Members also have the facility of raising queries/making complaints on share related matters through a facility provided on the Company's website.

The Company has a dedicated help desk with email ID: [compliance@webelementinc.com](mailto:compliance@webelementinc.com) in the Secretarial Department for providing necessary information to the investors.

#### (ii) Official News Releases

Official news releases are made whenever it is considered necessary. The Financial Results and other Communications of the Company were normally published to the stock Exchange immediately.

(iii) The presentation made to institutional investors or to the analysts

There were no specific presentation made to the investors or analysts during the year

(iv) Dividend payment date: Not Applicable

(v) Stock Market Data:

During the year the trading of the shares of the Company continues shares of the Company is regularly trading in ITP Platform.

**Stock Code:** 780016

**ISIN:** INE562Q01017

**Pattern of Shareholding as on 31<sup>st</sup> March, 2019:**

Sr. No	Category of Shareholders	No. of shares Held	Percentage of holdings
1.	Promoters	14,80,000	21.84
2.	Foreign Institutional Investors/ Mutual Funds	Nil	Nil
3.	Bodies Corporate	723750	10.68%
4.	Individual shareholders holding nominal shares Capital up to Rs. 2 Lakhs	141012	2.08%
5.	Individual Shareholders holding nominal Shares Capital in excess of Rs.2 Lakhs	4311238	63.63%
6.	Clearing Members	53250	0.79%
7.	Hindu Undivided Family	65850	0.97%
8.	Trusts	0	0
9.	Non Resident Indians	0	0
10.	Foreign National	Nil	Nil
11.	Any other specify	Nil	Nil
	<b>Total</b>	<b>6775100</b>	<b>100</b>

**Dematerialization of Shares as on 31<sup>st</sup> March, 2019**

The Equity Shares of the Company are compulsorily traded in dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

The Company has arrangement with National Securities Depository Ltd. (NSDL) as well as Central Depository Services (India) Limited (CDSL) for demat facility.

100% of the Share Capital of the Company is in Dematerialization form.



## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **INDUSTRY OVERVIEW:**

Web Element Solutions Ltd. is an emerging leader in providing end to end web solutions and custom software development and is based out of Mumbai. Our range of servicing capabilities is wide spread and includes Business process enhancement services to augment existing business processes effectively, Customize web application services to drive customer centric solutions, App development to deliver efficient app solutions, Enterprise mail hosting services for enabling targeted messages for the customers.

Web Element believes in adapting fast to the ever changing technological landscape to continue delighting customers with solutions backed by the latest tools and technologies. We strive to keep our development team experienced on the most relevant technology so that our solutions are future-ready.

We continue to see the trend of global businesses turning to offshore technology service providers to meet their needs and to increase their efficiency through differentiated solutions. Over the past two decades, India has risen to become leading destination for global sourcing of IT, ITes, and research and development activities.

The world has learnt its lessons from recession and is actively taking steps to sustain India's advantage and make India's IT industry more resilient to global economic conditions. This optimism is being reflected in all parts of the world. The cloud as a delivery model is also here to stay, and Indian IT service providers will need to adapt themselves in this new world order. From a growth perspective, the future is still bright and has been impacted by the after effects of recession, witnessed by everyone. The US and Europe remain the biggest markets for outsourcing software related activities. Majority of the works from this market is being outsourced to destinations in the Asia Pacific region and East Europe.

In the national level, IT service is the fastest growing segment in the Indian domestic market, growing year-to-year, driven by increasing focus by service providers. A significant proportion of all Indian businesses fall under the small and medium enterprise segment. So, a broad-based, sustainable growth in the Indian economy can emerge only if the country's SMEs record a healthy growth as they attempt to improve productivity, adopt best practices and bring innovative products to market.

Outlook for the Indian information technology (IT) sector is 'cautiously positive' in 2019 as challenges remain amidst prospects of greater IT spending with global and US economies improving, industry body Nasscom said. On the industry working towards more digital influence, and subsequent revenues, Nasscom has been consistently saying that there are only three things India needs to focus on, "skilling, skilling and skilling."

### **BUSINESS OVERVIEW**

India is identified by the world as good place for commencing the new business considering availability of manpower at low cost and other available resources in India. Further, Indian Government opens the market for FDI and FII for developing the infrastructures facilities in India. The future of the Indian Software Industry looks very positive and we expect excellent opportunities in this field.

The global economy continues to be poised in a delicate balance. While there continues to be concerns around Europe and deceleration in GDP growth of emerging markets, US is showing signs of improvement. Against this backdrop of mixed macro- economic signals, corporate are increasingly leveraging new technologies to become more agile and also achieve business results. Global corporations are increasingly investing in informational technology initiatives to improve their competitiveness. We continue to see customers viewing technology as a key enabler to drive their growth strategies. Service providers are expected to enhance focus to domestic market to de-risk business and tap into the local growth opportunities.

Our Company has, in the past, majorly catered to the organizations in the Manufacturing and Trading in SME sector. The development services provided to these companies were web / cloud based office automation systems, inventory systems, CRM, Order processing systems, payroll management systems, export documentation management, billing & accounting modules etc. We have provided cloud computing and enterprise email services.

## Updates of the year 2018-19

### ● **Successful Delivery**

- Indian Banks' Association Website: We have successfully completed the website of Indian Banks' Association (IBA) website. Our efforts were appreciated by the directors of IBA.
- National Plywood Centre: Developed a complete ERP with accounting for a plywood trading company having branches all over India.
- Medirecs Healthcare and Research Private Limited: Developed a web based software and a mobile app to manage health records of individuals and store the same on the cloud for easy access when needed.
- Red Couch Interactive LLC: Completed various projects sourced from our US consultant Red Couch Interactive LLC.
- Keshardeo Combines: Developed a web based software for a Mumbai based company having its looms at Solapur which is into manufacturing of towels. The software manages various modules required for the purchase, production and sales.
- People MS: Launched a mobile app and a web app for managing employee attendance, leaves, tasks and expenses.
- Mail CRM: Launched: Mail CRM application built on the cloud to manage marketing emails campaigns.
- Completed various other web based software's for SME companies based in Mumbai.

### ● **New Product Development**

- Tripper App: Developing a mobile app to manage and track road trips in the maximum detail possible.
- Various other undisclosed applications which are underway and will be announced when the right times comes.

### ● **Future Pipeline**

- We will continue bidding on the government tenders along with the work we do for private sector. Looking for expansion in the US for more ERP level projects from US SME companies.

Our Directors are also exploring overseas opportunities in the US and Australia. Preliminary ground work to understand the global market especially in the US has already commenced and we are also open for offshore partners / overseas joint ventures. Further, in order to be ahead of times, we have developed a new R&D team to explore the possibilities in IOT (Internet of things) & Analytics (Big Data).

## RISKS & CONCERNS

### **COMPETITION**

As the industry is poised for exponential growth, a lot of Companies are entering this arena and the cost efficient competitors are increasing. Also in the global scenario, there is a huge advent of software companies in China, Korea, Philippines and Singapore. These Countries also have a huge cost advantage like India. Over and above that, the Government in such countries is actively supporting the growth of the Software Industry. Due to global economic meltdown, companies may reduce or postpone their technology spending. Reduction in spending may result in lower demand and negatively affect our revenues and profitability. For the past several years, India has achieved healthy economic growth rates. The growth has been contributed by robust service sector performance as well as strong manufacturing output. India is being viewed as a key market among the emerging economies. Several multinational IT companies and Indian IT services companies are focusing on the Indian markets. This could affect our growth and profitability.

### **SCARCITY OF HUMAN CAPITAL**

This is an inherent problem with this industry. The skill required here has to be combination of creativity and synergizing of technology to bring the best results. There are very few training centers providing training which cater to the needs of the Industry. Also there is a lack of any organized channel of education and awareness as relating to the potential of this industry.

## **TECHNOLOGY OBSOLESCE**

The methods and software used in this field are dynamically changing and the advent of new technology, techniques and upgrades seem to be very fast. It poses a continuing challenge to the players in this Industry to adapt to newer technologies and also for the personnel to get trained and use these effectively.

## **HUMAN RESOURCES AND RELATIONS**

The Company makes efforts to ensure that employees are provided with a congenial work atmosphere. Facilities are equipped with state-of-the-art hardware, software and communication equipment apart from periodic recreational facilities to motivate the team. Continuously improving the quality of people through training in skill development as well as personality development. Management places great emphasis on continuously improving the work environment and ambience to nurture innovation and creativity.

**Date: 29/08/2019**

**Place: Mumbai**

**By Order of the Board of Directors  
WEB ELEMENT SOLUTIONS LIMITED**

**Sd/-  
Shailesh B. Patel  
(Whole Time Director)  
DIN: 02150718**

**Sd/-  
Y.S KANWAR  
(Whole Time Director)  
DIN:02150704**

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
**(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To,  
The Member,  
M/s WEB ELEMENT SOLUTIONS LIMITED  
Mumbai

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **WEB ELEMENT SOLUTIONS LIMITED** having CIN L72200MH2008PLC182320 and having registered office at **301 Corporate Arena Off Aarey Piramal X Road Behind Mahindra Gardens Goregaon West Mumbai - 400062**. (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)), BSE as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

SR. NO.	NAME OF DIRECTORS	DIN	Date of Appointment
1	SUNIL SATYANARAYAN SHARMA	01568825	02/09/2014
2	KIRANKUMAR NAVINCHANDRA SHUKLA	01568997	02/09/2014
3	YADVENDER SINGH KANWAR	02150704	16/05/2008
4	SHAILESH BECHARBHAI PATEL	02150718	16/05/2008
5	SAMIR GAJJAR	06653008	02/09/2014
6	NAYAN JASWANTKUMAR SHAH	06857389	31/03/2014
7	SHRENA SHAH KALPESH	07176766	05/05/2015

I further hereby inform that, ensuring the eligibility for the appointment / continuity of Director on the Board is the responsibility of the Company. Our responsibility is to issue this certificate based on verification of documents and information available in the public domain. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Nitesh Chaudhary  
Practicing Company Secretary  
CP No.: 16275

Sd/-  
Nitesh Chaudhary  
Proprietor  
FCS No. 10010

Place: Mumbai  
Date: 07/08/2019

## **INDEPENDENT AUDITOR'S REPORT**

**To the Members of Web Element Solutions Limited**

**Report on the Audit of the Financial Statements**

### **OPINION**

We have audited the financial statements of **WEB ELEMENT SOLUTIONS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information. (hereinafter referred to as "Financial Statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (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 (financial position) of the Company as at March 31, 2019, its profit, and its cash flows for the year ended on that date.

### **BASIS FOR OPINION**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI Code of Ethics.

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

### **KEY AUDIT MATTERS**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

### **INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **RESPONSIBILITY OF MANAGEMENT FOR THE FINANCIAL STATEMENTS**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

### **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a) we have sought and obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit;
  - b) 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;
  - c) 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;
  - d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder;
  - e) on the basis of the written representations received from the directors as on March 31, 2019 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure - B**"; and



g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- I. the Company does not have any pending litigations which would impact its financial position.
- II. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- III. there were no amounts due which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For, Agarwal Desai & Shah**  
**Chartered Accountants**  
**ICAI FRN: 124850W**

**Sd/-**  
**Rishi Sekhri**  
**Partner**  
**Place: Mumbai**  
**Date: 25<sup>th</sup> May 2019**

## **ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in paragraph-1 on Other Legal and Regulatory Requirements of our Report of even date to the members of WEB ELEMENT SOLUTIONS LIMITED on the Financial Statements of the Company for the year ended March 31, 2019.**

- i. a) The Company is maintaining proper records showing full particulars including quantitative details and situation of its fixed assets.  
  
b) As explained to us, fixed assets have been physically verified by the management at regular intervals, and as informed to us no material discrepancies were noticed on such verification.  
  
c) According to the information and explanations given to us, and on the basis of our examination of the records of the Company, the Company does not own any immovable property.
- ii. The company has not carried any inventory during the year and hence comment on this clause is not applicable.
- iii. According to the information and explanations given to us, during the year the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Act. Accordingly, Clause 3 (iii) (a),(b) and (c) of the Order are not applicable.
- iv. In our opinion and according to the information and explanations given to us in respect of loans given, investments made, guarantees and security the provision of section 185 and 186 of the Companies Act, 2013 has been complied with.
- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public during the year within the meaning of sections 73 to 76 of the Act and the rules framed there under to the extent notified.
- vi. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Sub section 1 of Section 148 of the Act, for any of the activities carried on by the Company. Accordingly, clause 3(vi) of the Order is not applicable.
- vii. a) According to the information and explanations given to us and on the basis of our examination of the records, the Company is generally regular in depositing undisputed applicable statutory dues including provident fund, employees' state insurance, income tax, sales tax, duty of custom, goods and services tax, cess and any other statutory dues to the appropriate authorities and there are no undisputed dues outstanding as on March 31, 2019 for a period of more than six months from the date they become payable  
  
b) According to the information and explanations given to us, there are no dues outstanding on account of any disputes.
- viii. In our opinion and according to the information and explanations given to us, the Company has not taken any loan from financial institutions and banks. The Company has not issued any debentures. Accordingly, clause 3(viii) of the Order is not applicable.
- ix. According to the information and explanations given to us and on an overall examination of the records, we report that the Company did not raise any money by way of initial public offer or further public offer

(including debt instruments) and term loans during the year. Accordingly, clause 3(ix) of the Order is not applicable.

- x. According to the information and explanations given to us and on the basis of our examination of books and records, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees noticed or reported during the year, nor have we been informed of any such case by the management.
- xi. In our opinion and according to the information and explanations given to us, the managerial remuneration has been paid or provided by the Company in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3 (xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the books and records of the Company, we report that the transactions with the related parties are in compliance with sections 177 and 188 of the Act, wherever applicable and the details in respect of such transactions have been disclosed in the Financial Statements as required by the applicable Accounting Standards.
- xiv. According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3 (xiv) of the Order is not applicable.
- xv. According to the information and explanations given to us and on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, clause 3 (xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For, Agarwal Desai & Shah**  
**Chartered Accountants**  
**ICAI FRN: 124850W**

**Sd/-**  
**Rishi Sekhri**  
**Partner**  
**Place: Mumbai**  
**Date: 25<sup>th</sup> May 2019**

## **ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 2(f) on Other Legal and Regulatory Requirements of our Report of even date to the members of WEB ELEMENT SOLUTIONS LIMITED on the Financial Statements for the year ended March 31, 2019)

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

We have audited the internal financial controls over financial reporting of WEB ELEMENT SOLUTIONS LIMITED ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### **MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

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

### **AUDITORS' RESPONSIBILITY**

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### **MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of

the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

#### **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

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

#### **OPINION**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For, Agarwal Desai & Shah**  
**Chartered Accountants**  
**ICAI FRN: 124850W**

**Sd/-**  
**Rishi Sekhri**  
**Partner**  
**Place: Mumbai**  
**Date: 25<sup>th</sup> May 2019**

**Web Element Solutions Limited**

CIN: L72200MH2008PLC182320

Regd. Office: 301 Corporate Arena off Aarey Piramal X Road, Goregaon West, Mumbai - 400 062

**Balance Sheet as at 31st March, 2019**

		(Amount in Rs.) As at 31st March, 2019	(Amount in Rs.) As at 31st March, 2018
Notes			
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholder's Funds</b>			
(a) Share Capital	2	67,751,000	67,751,000
(b) Reserves and Surplus	3	(6,548,798)	(6,766,988)
<b>2 Non-Current Liabilities</b>			
Deferred Tax Liabilities (Net)		-	-
<b>3 Current Liabilities</b>			
(a) Short Term Borrowings	4	1,894,813	1,861,529
(b) Trade Payables	5	539,661	250,100
(c) Other Current Liabilities	6	2,403,036	2,080,000
(d) Short Term Provisions		-	-
<b>TOTAL</b>		<b>66,039,712</b>	<b>65,175,641</b>
<b>II. ASSETS</b>			
<b>1 Non-Current Assets</b>			
(a) Fixed Assets			
- Tangible Assets	7	176,232	201,913
(b) Non-Current Investments			
(c) Deferred Tax Assets (Net)		848,138	2,392,708
(e) Long Term Loans and Advances		41,000,000	41,030,000
(d) Other Non-Current Assets			
<b>2 Current Assets</b>			
(a) Current Investments	8	218,039	207,770
(b) Inventories		-	-
(c) Trade Receivables	9	2,692,146	3,539,183
(d) Cash and Cash Equivalents	10	2,543,908	814,262
(e) Short Term Loans and Advances	11	18,561,249	16,989,805
(f) Other Current Assets	12	-	-
<b>TOTAL</b>		<b>66,039,712</b>	<b>65,175,641</b>

**Significant Accounting Policies**

1-18

The accompanying notes are an integral part of the Financial Statements

As per our report of even date

For and on behalf of the Board

For AGARWAL DESAI &amp; SHAH

Chartered Accountants

Firm Registration No.: 124850W

(Y S Kanwar)  
Whole time Director  
DIN: 02150704

(Shailesh Patel)  
Whole time Director  
DIN: 02150718

(CA. RISHI SEKHRI)

Partner

Membership No.: 126656

Place: Mumbai

Date: 25th May, 2019

(Shrena K Shah)  
Exe. Director and CFO  
DIN: 07176766

# Web Element Solutions Limited

CIN: L72200MH2008PLC182320

Regd. Office: 301 Corporate Arena off Aarey Piramal X Road, Goregaon West, Mumbai - 400 062

## Statement of Profit and Loss for the year ended 31st March, 2019

	Notes	(Amount in Rs.) For the year ended 31st March, 2019	(Amount in Rs.) For the year ended 31st March, 2018
<b>I Income</b>			
Revenue from Operations	13	14,143,336	10,095,264
Other Income	14	1,210,776	1,150,303
<b>Total Revenue</b>		<b>15,354,112</b>	<b>11,245,567</b>
<b>II Expenses</b>			
Purchases of Stock in Trade		-	-
Changes in Inventories of Stock in Trade		-	-
Employee Benefits Expense	15	7,760,829	7,400,523
Finance Costs	16	106,353	16,116
Depreciation	7	39,823	42,612
Other Expenses	17	5,684,348	4,201,306
<b>Total Expenses</b>		<b>13,591,353</b>	<b>11,660,558</b>
<b>III Profit/ (Loss) before tax (I - II)</b>		<b>1,762,759</b>	<b>(414,991)</b>
<b>IV Tax Expense</b>			
- Current Tax		339,154	-
- Deferred Tax		1,544,570	(117,784)
- Mat Credit Entitlement		(339,154)	-
- Adjustment of MAT of earlier year			
<b>V Profit/ (Loss) for the year (III - IV)</b>		<b>218,190</b>	<b>(297,207)</b>
<b>VI Earnings per Equity Share (of Rs. 10/- each) [Refer Note 23 (v)]</b>			
(1) Basic		0.022	(0.044)
(2) Diluted		0.022	(0.044)

Significant Accounting Policies <sup>1</sup>  
The accompanying notes are an integral part of the Financial Statements

As per our report of even date  
For AGARWAL DESAI & SHAH  
Chartered Accountants  
Firm Registration No.: 124850W

for and on behalf of the Board

(Y S Kanwar)  
Whole time Director  
DIN: 02150704

(Shailesh Patel)  
Whole time Director  
DIN: 02150718

(CA. RISHI SEKHRI)  
Partner  
Membership No.: 126656

Place: Mumbai  
Date: 25th May, 2019

(Shrena K Shah)  
Exe. Director and CFO  
DIN: 07176766



**Web Element Solutions Limited**

CIN : L72200MH2008PLC182320

Regd. Office: 301 Corporate Arena Off Aarey Piramal X Road , Goregaon West, Mumbai - 400 062

**Statement of Cash Flows for the year ended 31st March, 2019**

	(Amount in Rs.)	
Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit/(Loss) before Taxation</b>	218,190	(297,207)
<b>Adjustments for:</b>		
+Depreciation	39,823	42,612
-Preliminary Expenses written off	-	-
-Sundry Balances written off/(back)	-	-
-Loss on Sale of Investments	-	-
-Investments written off	-	-
-Interest Expense	-	-
-Interest Income & Dividend	(1,210,776)	(1,150,303)
+Provision for Deferred Tax	<u>1,544,570</u>	<u>(117,784)</u>
<b>Operating Profit/(Loss) before Working Capital Changes</b>	<b>373,616</b>	<b>(1,225,475)</b>
	<b>591,806</b>	<b>(1,522,682)</b>
<b>Adjustments for:</b>		
-Trade Receivables	847,037	(429,310)
-Inventories	-	-
- Short Term Loans and Advances	(1,571,444)	(1,096,557)
-Other Current & non-current assets	30,000	-
-Trade Payables & Other current liabilities	612,598	1,632
- Short Term Provisions	-	-
Short term Borrowings	<u>33,284</u>	<u>1,466,529</u>
<b>Cash generated/(used) in Operating Activities</b>	<b>543,282</b>	<b>(1,580,388)</b>
<b>Less:</b>		
-Income Tax paid	<u>-</u>	<u>-</u>
<b>Net Cash generated/(used) in Operating Activities</b>	<b>543,282</b>	<b>(1,580,388)</b>

**B. CASH FLOW FROM INVESTING ACTIVITIES**

**C. CASH FLOW FROM FINANCING ACTIVITIES**

-Issue of Share Capital	-	-
-Repayment of Loan	-	-
-Proceeds from issue of Shares	-	-
-Proceeds from Securities Premium on issue of Shares	-	-
<b>Net Cash generated from Financing Activities</b>	<b>-</b>	<b>-</b>
<b>Net increase/ (decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>1,729,646</b>	<b>(439,026)</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>814,262</b>	<b>1,253,287</b>
<b>Cash and Cash Equivalents at the end of the year</b>	<b>2,543,908</b>	<b>814,262</b>

**Notes:**

1 The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard-3 on Cash Flow Statement notified by the Companies (Accounting Standard) Rules, 2006.

2 Cash and Cash Equivalents include:

- Cash in Hand	1,625	7,011
- With Schedule Banks:		
In Current Accounts	1,219,481	799,282
- In Fixed Deposits Accounts (with maturity less than 3 months)	1,322,802	7,969
	<u><b>2,543,908</b></u>	<u><b>814,262</b></u>

3 Previous year's figures have been regrouped and/or rearranged wherever found necessary.  
This is the Cash Flow Statement referred to our report of even date

**As per our report of even date**  
**For AGARWAL DESAI & SHAH**  
**Chartered Accountants**  
**Firm Registration No.: 124850W**

**For and on behalf of the Board**

( Y S Kanwar )  
  
**Wholetime Director**  
DIN: 02150704

(Shailesh Patel )  
  
**Wholetime Director**  
DIN: 02150718

**(CA. RISHI SEKHRI) Partner**  
**Membership No.: 126656**

Place: Mumbai  
Date: 25th May, 2019

( Shrena K Shah )  
**Exe. Director and**

## Web Element Solutions Limited

CIN : L72200MH2008PLC182320

Regd. Office: 301 Corporate Arena Off Aarey Piramal X Road , Goregaon West, Mumbai - 400 062

### Notes Forming Part of the Financial Statements for the year ended 31st March, 2019

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#### Note 1 : SIGNIFICANT ACCOUNTING POLICIES

##### a) Corporate Information:

The Company was incorporated as a private company in the state of Maharashtra on 16th May 2008 and was later converted into a Public company having CIN U72200MH2008PLC182320. It is a widely held public company. The company is listed on the SME-ITP platform of the BSE. The Company is having its registered & corporate office at 301, 3rd Floor, Corporate Arena, Aarey Piramal Cross Road, Goregaon , Mumbai-400062. The Company is basically engaged in consultancy and software except for the fact that during the year under reference the Company has not entered into any turnkey projects involving supply of hardware.

##### b) Basis of Preparation of Financial Statements:

The financial statements of the Company have been prepared on accrual basis and under historical cost convention method and in accordance with Generally Accepted Accounting Principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified).

As per MCA notification dated 16th February 2015, the companies whose shares are listed on BSE SME Platform as referred to in Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 are exempted from the compulsory requirements of adoption of IND-AS. As the Company is covered under exempted category from the compulsory adoption of IND AS, it has not adopted IND AS for preparation of financial statements.

##### c) Use of Estimate:

The preparation of financial statements require management to make estimates and assumptions that affects the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities on the date of the financial statements and reported amount of revenue and expenses during the year. Actual results could differ from those estimates. Any revision in the accounting estimate are recognised prospectively in the current and future periods.

##### d) Fixed Assets:

Fixed assets are recorded and stated at cost less accumulated depreciation and impairment losses, if any. The cost comprises of the purchase price and other costs directly attributable to bringing the assets to its working condition for its intended use.

##### e) Depreciation:

Depreciation on Fixed Assets has been provided on Written Down Value method over the useful life of asset as specified in Schedule II of the Companies Act, 2013. Depreciation on addition / deduction is computed on pro-rata basis.

##### f) Impairment of Fixed Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value at interest rate specific to the asset and in case where the specific rate is not available at the weighted average cost of capital which is adjusted for country risk/currency risk.

#### Note 1: SIGNIFICANT ACCOUNTING POLICIES: (Contd.)

##### g) Investments:

Investments have been classified as long-term investments in accordance with the Accounting Standard 13, as notified by the Companies (Accounting Standards) Rules, 2006 (as amended). Long term investments are carried at cost. Provision for diminution in value is made to recognize a decline other than temporary in the value of the investments. On disposal of the investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss. Dividends are accounted for when the right to receive the payment is established.

## **Web Element Solutions Limited**

CIN : L72200MH2008PLC182320

Regd. Office: 301 Corporate Arena Off Aarey Piramal X Road , Goregaon West, Mumbai - 400 062

### **Notes Forming Part of the Financial Statements for the year ended 31st March, 2019**

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#### **h) Inventories:**

Inventories are carried at cost or net realizable value whichever is lower. Cost of inventories is generally ascertained on FIFO (First-In-First-Out) basis. The cost comprises of cost of purchase and other costs incurred in bringing the inventory to its present location and condition.

#### **i) Revenue Recognition:**

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue from sale of services is recognised when a reasonable certainty as to its realisation exists.

Interest Income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

Interest Income is included under the head "Other Income" in the Statement of Profit and Loss.

#### **j) Taxes on Income:**

Tax expense comprises Current and Deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with Income-tax Act, 1961.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences only to the extent that there is reasonable certainty exists that sufficient future taxable income will be available against which these can be realised.

#### **k) Earnings Per Share:**

The Company reports basic and diluted earnings per equity share in accordance with Accounting Standard 20, 'Earnings Per Share'. Basic earnings per equity share is computed by dividing net profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed by adjusting net profit or loss and using the weighted average number of equity shares outstanding during the year for dilution.

#### **l) Employee Benefits:**

The amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized during the period when the employee renders the service.

Post-employment benefits such as gratuity have not been provided for.

**Web Element Solutions Limited**

CIN : L72200MH2008PLC182320

Regd. Office: 301 Corporate Arena Off Aarey Piramal X Road , Goregaon West, Mumbai - 400 062

**Notes Forming Part of the Financial Statements for the year ended 31st March, 2019****Note 1: SIGNIFICANT ACCOUNTING POLICIES: (Contd.)****m) Provisions, Contingent Liabilities and Contingent Assets:**

Provisions are recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are recognised only when there is a possible obligation arising from past events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outflow of resources of, or where reliable estimate cannot be made. Obligations are assessed on going concern basis and only those having a largely probable outflow of resources are provided for. Contingent liabilities, if any, are not provided for in the financial statements but are separately shown by way of note. Contingent assets are neither recognised nor disclosed in the financial statements.

**Note 2****SHARE CAPITAL**

**As at As at**  
**31st March, 2019 31st March, 2018**

**a) Authorised**

1,00,00,000 (Previous year 1,00,00,000) Equity Shares of Rs. 10 each

100,000,000 100,000,000

**100,000,000 100,000,000**

**Issued, Subscribed & Paid - up**

67,75,100 (Previous year 67,75,100) Equity Shares of Rs. 10 each fully paid up in cash

67,751,000 67,751,000

**67,751,000 67,751,000**

**b) Reconciliation of the Equity Shares**

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Number	Amount (in Rs.)		Number
At the beginning of the year	6,775,100	67,751,000	6,775,100	67,751,000
At the end of the year	6,775,100	67,751,000	6,775,100	67,751,000

- c) The Company has only one class of Equity Shares having a par value of Rs. 10 per share. Each holder of Equity Shares is entitled to one vote per share.
- d) The shareholders have the right to declare and approve dividends, as proposed by the Board of Directors for any financial year, to be paid to the members according to their rights and interest in the profits. However, no larger dividend shall be declared than is recommended by the Board of Directors.
- e) In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders.
- f) **Details of Shareholders holding more than 5 % of the total shares issued by the Company**

Name of Shareholder	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Nayan J. Shah	1,450,000	21.4	1,450,000	21.4
Vishal Vijay Shah	604,190	8.9	604,190	8.9
Next Orbit Venture Fund	500,000	7.38	500,000	7.38

As per records of the Company, including its register of shareholders/members and other declaration received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

**Web Element Solutions Limited**

CIN : L72200MH2008PLC182320

Regd. Office: 301 Corporate Arena Off Aarey Piramal X Road , Goregaon West, Mumbai - 400 062

**Notes Forming Part of the Financial Statements for the year ended 31st March, 2019**

	As at 31st March, 2019	As at 31st March, 2018
<b>Note 3</b>		
<b>RESERVES &amp; SURPLUS</b>		
<b>Securities Premium Account</b>		
As per last Financial Statements	-	-
Add: Premium on Equity Shares issued during the year	-	-
	-	-
<b>Surplus/ (Deficit) in the Statement of Profit and Loss</b>		
As per last Financial Statements	(6,766,988)	(6,469,781)
Add: Net Profit/(Loss) for the year as per Statement of Profit and Loss	218,190	(297,207)
	<b>(6,548,798)</b>	<b>(6,766,988)</b>
<b>Note 4</b>		
<b>Short Term Borrowings</b>		
<b>(Secured; Repayable on demand)</b> Overdraft facility from Bank of India (Secured against TDR of Rs 7,00,000/-)	610,863	566,529
<b>(Unsecured; Repayable on demand)</b>		
From Director	1,283,950	1,295,000
	<b>1,894,813</b>	<b>1,861,529</b>
<b>Note 5</b>		
<b>TRADE PAYABLES</b>		
Outstanding Dues to MSMEs		
Outstanding Dues to Others	539,661	250,100
	<b>539,661</b>	<b>250,100</b>
<b>Note 6</b>		
<b>OTHER CURRENT LIABILITIES Other Payables</b>		
a) Statutory Dues	934,022	724,504
b) Income Received in Advances	178,159	135,750
c) Liabilities for Expenses	1,290,855	1,219,746
	<b>2,403,036</b>	<b>2,080,000</b>
<b>NOTE 8</b>		
<b>Long Term Loans &amp; Advances</b>		
Capital Advances	33,000,000	33,000,000
Security Deposits	8,000,000	8,030,000
	<b>41,000,000</b>	<b>41,030,000</b>

**Web Element Solutions Limited**

CIN : L72200MH2008PLC182320

Regd. Office: 301 Corporate Arena Off Aarey Piramal X Road , Goregaon West, Mumbai - 400 062

**Notes Forming Part of the Financial Statements for the year ended 31st March, 2019**

	<b>As at</b>	
	<b>31st March, 2019</b>	<b>31st March, 2018</b>
<b>Note 9</b>		
<b>CURRENT INVESTMENTS</b>		
In UTI Liquid Funds	218,039	207,770
	<b>218,039</b>	<b>207,770</b>
<b>Note 10</b>		
<b>TRADE RECEIVABLE</b>		
(Unsecured; Considered good)		
Debts Outstanding for a Period Exceeding six months	32,217	2,063,655
Other Debts	2,659,929	1,475,528
	<b>2,692,146</b>	<b>3,539,183</b>
<b>Note 11</b>		
<b>CASH &amp; CASH EQUIVALENTS</b>		
Balance with Banks in Current Accounts	1,219,481	799,282
Cash on Hand (As per books & as certified )	1,625	7,011
Fixed Deposits with Bank	1,322,802	7,969
	<b>2,543,908</b>	<b>814,262</b>
<b>Note 12</b>		
<b>SHORT -TERM LOANS &amp; ADVANCES</b>		
Demand Loans(Unsecured;Including interest)	16,241,600	14,594,052
Prepaid Expenses		1,000
Advance Income Tax & TDS	1,906,302	2,325,082
MAT Credit Entitlement	339,154	
Other Advances	74,194	69,671
	<b>18,561,249</b>	<b>16,989,805</b>

**Web Element Solutions Limited**

CIN : L72200MH2008PLC182320

Regd. Office: 301 Corporate Arena Off Aarey Piramal X Road , Goregaon West, Mumbai - 400 062

**Notes Forming Part of the Financial Statements for the year ended 31st March, 2019**

	For the year ended 31st March, 2019	For the year ended 31st March, 2018
<b>Note 13</b>		
<b>REVENUE FROM OPERATIONS (Gross)</b>		
Services Sales	14,143,336	10,095,264
	<b>14,143,336</b>	<b>10,095,264</b>
<b>Note 14</b>		
<b>OTHER INCOME</b>		
Dividend	10,269	8,940
Interest Received	1,200,507	1,141,363
Prior Year Items		
	<b>1,210,776</b>	<b>1,150,303</b>
<b>Note 15</b>		
<b>EMPLOYEE BENEFIT EXPENSES</b>		
Salary & Wages	6,346,024	5,993,066
Remuneration to Directors	1,272,000	1,200,000
Contribution to Statutory Funds	142,805	207,457
	<b>7,760,829</b>	<b>7,400,523</b>
<b>Note 16</b>		
<b>Finance Cost</b>		
Interest on Bank OD	44,216	16,116
Interest Paid on Unsecured Loan	62,137	
	<b>106,353</b>	<b>16,116</b>
<b>Note 17</b>		
<b>OTHER EXPENSES</b>		
<b>Direct Expenses</b>		
Hosting & Registration Charges	2,827,810	1,876,194
Server Rent		443,045
	<b>2,827,810</b>	<b>2,319,239</b>
<b>Administrative &amp; Other Expenses</b>		
Statutory Audit Fees	75,000	75,000
Telephone and Internet Expenses	59,270	50,903
Travelling and Conveyance Expenses	45,740	137,111
Bank Charges	44,555	44,406
Power & Fuel	127,190	126,850
Professional Fees	1,281,138	1,091,130
Repair & Maintaince	54,820	67,647
Penalty & Interest on Statutory dues	56,867	16,872
Discount & Rebates	4,729	652
Office Rent	60,000	60,000
Rates & Taxes	4,050	4,800

## Web Element Solutions Limited

CIN : L72200MH2008PLC182320

Regd. Office: 301 Corporate Arena Off Aarey Piramal X Road , Goregaon West, Mumbai - 400 062

MCA Filing Fees

15,000

84,600

Sundry Balances W/off	119,558	-
Director Sitting Fees	6,000	-
Comission Expenses	240,000	-
Service Tax	557,074	-
Miscellaneous Expenses	105,547	33,975
	<b>2,856,537</b>	<b>1,882,067</b>



# Web Element Solutions Limited

CIN : L72200MH2008PLC182320

Regd. Office: 301 Corporate Arena Off Aarey Piramal X Road , Goregaon West, Mumbai - 400 062

## Note 8 FIXED ASSETS

Particulars	Gross Block (at Cost)			Accumulated Depreciation			Net Block	
	Cost as at 1st April, 2018	Additions during the Year	Total Cost as at 31st March, 2019	Up to 1st April, 2018	For the year	Up to 31st March, 2019	As at 31st March, 2019	As at 31st March, 2018
Tangible Assets Water	7,760		7,760	7,337	35	7,372	388	423
Dispenser Air	179,366		179,366	156,118	6,018	162,136	17,230	23,248
Conditioner	2,650,962	11,143	2,662,105	2,560,624	6,748	2,567,372	94,733	90,338
Computer & Printer	397,711		397,711	325,453	18,708	344,161	53,550	72,258
Furniture & Fixtures	86,621		89,621	70,975	8,314	79,289	10,331	15,646
Office Equipment's		3,000						
<b>Total</b>	<b>3,322,420</b>	<b>14,143</b>	<b>3,336,564</b>	<b>3,120,508</b>	<b>39,823</b>	<b>3,160,331</b>	<b>176,232</b>	<b>201,913</b>
<b>Previous year</b>	<b>3,322,420</b>	<b>-</b>	<b>3,322,420</b>	<b>3,077,895</b>	<b>42,612</b>	<b>3,120,508</b>	<b>201,913</b>	<b>244,524</b>

## Web Element Solutions Limited

CIN : L72200MH2008PLC182320

Regd. Office: 301 Corporate Arena Off Aarey Piramal X Road , Goregaon West, Mumbai - 400 062

### Note 18 : OTHER NOTES

#### i) Disclosure under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED ACT, 2006)

In accordance with the Notification No GST 719 dated 16th November 2007, issued by the Ministry of Corporate Affairs, certain disclosures are required to be made relating to Micro, Small & Medium Enterprises as defined under the said Act. Based on the information/ documents available with the Company, disclosures required are as under:

Amount in Rs.

Particulars	As at 31st March, 2019	As at 31st March, 2018
a) Principal amount remaining unpaid to any supplier as at the end of the accounting year		
b) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year		
<b>Total (a) &amp; (b)</b>		
c) The amount of interest paid along with the amounts of the payments made to the supplier beyond the appointed day		
d) Amount of interest due and payable for the year		
e) The amount of interest accrued and remaining unpaid at the end of the accounting year		
f) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid		

- iv) Balances of trade receivables, payables and loans and advances are subject to reconciliation and confirmation from the parties. These balances are therefore, subject to adjustments, if any, as may be required on settlement of these balances with the parties.

#### v) Earnings Per Share

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Net Profit as per the Statement of Profit & Loss (in Rupees)	218,19	(297,207)
Weighted average number of shares having face value of Rs. 10 each	6,775,100	6,775,100
Basic and diluted earnings per share (in Rupees)	0.032	(0.044)

#### vi) Related Party Disclosure\*

##### Key Management Personnel and Relatives

Mr. Shailesh B Patel	- Director & KMP
Mr. Yadvendersingh Kanwar	- Director & KMP
Mr. Nayan J Shah	- Director & KMP
Mrs. Shrena K Shah	- Director & KMP
Mr. Aarti K Shah	Relative of KMP
M/s. Kirti R Shah & Stock Brokers Pvt Ltd	Company in Control of Relative of KMP
Mr. Sunil S Sharma	Independent Director
Mr. Kirankumar N Shukla	Independent Director
Mr. Samir Gajjar	Independent Director
Mr. Vishal Mittal	Company Secretary

**Note 18 : OTHER NOTES**

**Enterprise over which key management personnel are able to exercise significant influence**

M/s Kirti R Shah & Stock Brokers Pvt Ltd

Nature and volume of transactions during the year with the above related parties are as follows:

**Key Management Personnel and Relatives**

Particulars	Nature of Transactions	Volume of Transaction 2019-20	Outstanding as on 31st March, 2019	Volume of Transaction 2018-19	Outstanding as on 31st March, 2018
Shailesh B. Patel	Loan Outstanding at beginning		245,000		245,000
	Loan Outstanding at year end		245,000		245,000
Yadvendersingh Kanwar	Director's Remuneration	240,000		240,000	
	Loan Outstanding at beginning	150,000			150,000
	Loan Received during the year	85,000			
	Loan Refunded during the year	85,000			
	Loan Outstanding at year end		150,000		150,000
Nayan J Shah	Director's Remuneration	840,000		845,000	
	Loan Outstanding at beginning	500,000			
	Loan Received during the year	380,000		1,100,000	
	Loan Refunded during the year	380,000		600,000	
	Loan Outstanding at year end		500,000		500,000
Shrena K Shah	Re-imbursement of expenses			10,000	
	Outstanding at year end		5,85		5,858
	Loan Outstanding at beginning	400,000			
	Loan Received during the year	628,950		650,000	
	Loan Refunded during the year	640,000		250,000	
Aarti K Shah	Loan Outstanding at year end		388,950		400,000
	Director's Remuneration	192,000		115,000	
	Outstanding at year end		43,000		32,000
	Amount of Rent Deposit at beginning	8,000,000		8,000,000	
	Amount of Rent Deposit at year end	8,000,000		8,000,000	
Mr. Sunil S Sharma	Loan Outstanding at beginning				
	Loan Received during the year	1,562,137			
	Loan Refunded during the year	1,562,137			
	Loan Outstanding at year end				
	Office Rent Paid	60,000	60,000	60,000	
Mr. Kirankumar N Shukla	Outstanding at year end				30,000
	Director Sitting Fees	2,000			
	Director Sitting Fees	2,000			
	Director Sitting Fees	2,000			
	Salary	60,800	14,900		
Kirti R. Shah & Stock Brokers Pvt. Ltd (Company in control of Relative of KMP)	Sales of Services	125,434		12,760	

\* As certified by the management and relied upon by auditors

vii) The Company operates in one segment and hence no separate disclosure of segment wise information has been made as per Accounting Standards (AS-17) Segment Reporting Issued by the Institute of Chartered Accountants of India.

**vii Deferred Tax Asset (Net) Consists of :**

i)

Particulars	Amount as on 01/04/2018	(Debit)/Credit to P & L during the year	Amount as on 31/03/2019
Carry Forward Loss	2,356,905	1,522,173	834,732
Depreciation	35,803	22,396	13,407
Total	2,392,708	1,544,570	848,138

	F Y 2018-19	F Y 2017-18
ix) Expenditure in Foreign Currency	838,385	-
x) Earnings in Foreign Currency	1,693,973	244,417
xi) Contingent Liability not acknowledged as debts	-	-
xii) Auditors Remuneration		
As Statutory Audit Fees	75,000	75,000

**Proxy Form**

**[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:	DP ID:

Name :	E-mail Id:
Address:	
Signature , or failing him	

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 11<sup>th</sup> Annual General Meeting of the company, to be held on Monday, the 30<sup>th</sup> day of September, 2019 at 11.30 A.M. at 301, Corporate Arena, Off. Aarey Piramal Cross Road, Behind Mahindra Gardens, Goregaon (West) Mumbai: 400062, and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolution(S)	I/we assent to the Resolution (FOR)	I /we dissent to the Resolution (AGAINST)
1.	Adoption of statement of Profit & Loss, Balance Sheet, report of Director's and Auditor's for the financial year 31st March, 2019.		
2.	To appoint a Director in place of Mr. Nayan J Shah (DIN: <a href="#">06857389</a> ) who retires by rotation and being eligible offers himself for re-appointment.		
3.	To appoint M/s. SDG & CO, Chartered Accountants (FRN No. 137864W), Mumbai as Statutory Auditors of the Company and to fix their remuneration.		
4.	To re-appointment of Mr. Sunil Satyanarayan Sharma (DIN: 01568825) as an independent non- executive director		
5.	To re-appointment of Mr. Kirankumar Navinchandra Shukla (DIN: 01568997) as an independent non- executive director		

**\* Applicable for investors holding shares in Electronic form.**

Signed this \_\_\_\_ day of \_\_\_\_ 2019

Affix Revenue  
Stamps

Signature of Shareholder  
Across Revenue Stamp

Signature of Proxy holder

Signature of the shareholder

**Note:**

- 1) 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.
- 2) The proxy need not be a member of the company.

## ATTENDANCE SLIP

(To be handed over at the entrance of the meeting hall)

Full name of the members attending \_\_\_\_\_ (In block capitals)

Ledger Folio No./Client ID No. \_\_\_\_\_ No. of shares held: \_\_\_\_\_

Name of Proxy \_\_\_\_\_

(To be filled in, if the proxy attends instead of the member)

I hereby record my presence at the 11<sup>th</sup> Annual General Meeting of the Web Element Solutions Limited At 301, Corporate Arena, Off. Aarey Piramal Cross Road, Behind Mahindra Gardens, Goregaon (West) Mumbai: 400062, on Monday, the 30<sup>th</sup> September, 2019 at 11:30 A.M.

\_\_\_\_\_  
(Member's/Proxy's Signature)

### **Note:**

- 1) Members are requested to bring their copies of the Annual Report to the meeting, since further copies will not be available.
- 2) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
- 3) The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.

**(Form No. MGT-12)**

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

<b>Name of the Company:</b> WEB ELEMENT SOLUTIONS LIMITED <b>Registered Office:</b> Office: 301 Corporate Arena Off Aarey Piramal X Road, Goregaon West, Mumbai-400062 <b>CIN:</b> L72200MH2008PLC182320
<b>BALLOT PAPER</b>

S. No.	Particulars	Details
1.	Name of the first named Shareholder (In Block Letters)	
2.	Postal address	
3.	Registered Folio No./ *Client ID No. (*applicable to investors holding shares in dematerialized form)	
4.	Class of Share	Equity Shares

I hereby exercise my vote in respect of Ordinary/Special Resolutions enumerated below by recording my assent or dissent to the said resolutions in the following manner:

S. No.	Item No.	Type of Resolution	No. of Shares held by me	I assent to the resolution	I dissent from the resolution
1.	To receive, consider and adopt the Audited Balance Sheet of the Company as on 31 <sup>st</sup> March, 2019 and the Profit and Loss Account for the year ended on that date and Reports of Auditors and Directors thereon				
2	To appoint a Director in place of Mr. Nayan J Shah (DIN: <a href="#">06857389</a> ) who retires by rotation and being eligible offers himself for re-appointment.				
3	To appoint M/s. SDG & CO, Chartered Accountants (FRN No. 137864W), Mumbai as Statutory Auditors of the Company and to fix their remuneration.				
4	To re-appointment of Mr. Sunil Satyanarayan Sharma (DIN: 01568825) as an independent non- executive director.				
5	To re-appointment of Mr. Kirankumar Navinchandra Shukla (DIN: 01568997) as an independent non- executive director.				

**Place: Mumbai**

**Date: 30/09/2019**

\_\_\_\_\_  
(Signature of the shareholder)  
(\*as per Company records)

## ROAD MAP FOR VENUE OF THE AGM

**301, CORPORATE ARENA, OFF.AAREY PIRAMAL CROSS ROAD,BEHIND MAHINDRA GARDENS, GOREGAON (WEST) MUMBAI: 400062, ON MONDAY, 30<sup>TH</sup> SEPTEMBER, 2019 AT 11:30 A.M**

