



**Ref No: WSL/BSE/2023/AGM/02**

**28<sup>th</sup> August 2023**

To,  
The General Manager,  
Department of Corporate Services,  
BSE Limited,  
P.J Towers, Dalal Street, Mumbai 400 001

**Sub: Annual Report 2022-23 and Notice of 28<sup>th</sup> Annual General Meeting**

**Ref: BSE CODE: 532373 - WEPSOLN**

Dear Sir/Madam,

Pursuant to Regulation 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, we submit herewith the Annual Report of the Company for the Financial Year 2022-23 along with the Notice convening the 28<sup>th</sup> Annual General Meeting ("AGM") scheduled to be held on **Thursday, 21<sup>st</sup> September 2023 at 04:00 P.M. through Video Conferencing/ Other Audio Visual Means** in accordance with relevant circulars issued by the Ministry of Corporate Affairs (MCA) and SEBI.

In compliance with the aforesaid circulars, the Annual Report 2022-23 along with the Notice of the 28<sup>th</sup> Annual General Meeting has been sent only by electronic mode to those shareholders whose e-mail address is registered with the Company/Registrar and Transfer Agent of the Company /Depository Participants.

The Annual Report along with the Notice of the 28<sup>th</sup> Annual General Meeting for the Financial Year 2022-23 is also available on the website of the Company at [www.wepdigital.com](http://www.wepdigital.com).

Kindly take the above information on record.

**For WeP Solutions Limited**

**Yashika Pardasani**  
**Company Secretary and Compliance Officer**

**Encl: As above**



# Onward **forward**

28th Annual **Report 2022-23**

## Board of Directors

Ram N Agrawal	- Chairman and Non-Executive Director
Ashok Tripathy	- Managing Director & CEO
Sandeep Kumar Goyal	- Executive Director & CFO
H V Gowthama	- Independent Director
Shankar Jaganathan	- Independent Director
G H Visweswara	- Independent Director
Vandana Malaiya	- Independent Director
Shruti Agarwal	- Independent Director
Dr. A L Rao	- Non – Executive Director

## Share Transfer Agent

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

## Bankers

Axis Bank  
Union Bank of India  
SBM BANK (INDIA) LIMITED

## Statutory Auditors

M/s Guru & Jana, Chartered Accountants  
Bengaluru

## Internal Auditors

M/s. JAA & Associates, Chartered Accountants,  
Bengaluru

## Corporate Identity Number (CIN)

L72200KA1995PLC025617

## Listed on

BSE Ltd.  
Scrip Code: 532373  
Scrip Name: WEPSOLN

## Website

[www.wepdigital.com](http://www.wepdigital.com)

## Investor E-mail ID

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

## Registered Office

40/1 A, Basappa Complex, Lavelle Road,  
Bengaluru 560 001  
Ph : 91 80 66112000 / 9019915738  
E-mail : [info@wepsol.in](mailto:info@wepsol.in)

## Manufacturing Locations

Himachal Pradesh:  
Plot No. 87, EPIP, Phase I, Jharmajri, District :  
Solani, Himachal Pradesh 174 103.

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## A Message from CEO

Dear fellow shareholders,

As I take charge of navigating the journey of this venerable organization, it is an honour to write my first annual letter to shareholders. Mr. Ram Agrawal has set high standards, and it shall be my endeavour to meet and exceed it. Mr. Agrawal is a pioneer in creating the first employee owned enterprise, which today stands tall as an icon of a professionally managed company. As I stepped into the role of MD & CEO, I did so with tremendous enthusiasm for the solid platform and opportunity that is in front of us.

In the technology space, the way to move forward is to scale up. Scale up the value chain. Scale up the propositions. Scale up the voice. That is exactly what we have set out to do.

The world is global, where demand and supply of skills are geographically dispersed. The world is now a global workplace where resources are working anytime, anyplace and on any device. Globalization and digitization are shaping a new work order. We call this “**fluidic work**” and believe that modern fluidic work, is integral to human, social and economic growth.

The catalyst to this transformation is technology. Technology is creating an interplay of connect-collaborate-create which drives modern fluidic work. Technology enables connections across mediums, which facilitates collaboration to empower people to create work which is blissful, purposeful and impactful. And empowered and happy employees drive happy customers.

The modern fluidic work drives our renewed purpose.

- At wepsol, we are now driven by our vision of transforming workplaces to **elevate work** for meaningful outcomes.
- Our mission is to advance a tech enabled, connected and agile environment where productivity soars to new heights.

The constituents of the workplace is the global workforce. Flexibility is the amenity that the modern workforce desires. Productivity of outcomes is what enterprises demand. Therefore our endeavour is to:

**Enrich** experiences.

**Empower** the workplace productivity.

**Enable** Scale, Security and Savings.

**Ergo: Elevate Work**

Keeping in view of our renewed purpose, we undertook the exercise to reimagine and refresh the brand identity for WeP Solutions making it relevant to the future, to our vision and purpose while retaining its core. The refreshed brand identity is inspired by a modern fluidic workplace where technology is the catalyst to connect, collaborate and create.

A brand is the external manifestation of behaviour. And behaviour is defined by the paradigm of values. While maintaining our core, we have refined our values:

- Intensity: A passion and commitment to make our clients successful.
- Ingenuity: We will challenge the status quo, think, experiment, seek solutions & continuously improve.
- Inclusivity: We respect, trust and collaborate with our diverse stakeholders.
- Integrity: Unyielding integrity in all our conduct. We will deliver what we promise.

These values shall be the guiding light which shall define how we conduct ourselves in any situation.

We are driving the business from a continuous **“Run and Reform”** paradigm.

The run or the operating part of the business made significant progress in FY 23 post the covid years challenges. We made significant change to our organization design with dual purpose: to be more aligned to the customers and their needs, and secondly to be more cohesive and nimble to address market opportunities. Therefore our go to market approach and accountability has become sharper.

As we move forward, you will witness more defined approach to strategic objectives. I have high expectation from my leadership team including myself. We have ensured clarity in individual roles, goals and objective which we play in driving our common goals.

In FY 2022-23, we have continued our efforts to improve both revenue and profitability. Our Services revenue grew by 11% and Products revenue by 12% over the previous year. Similarly, our profitability improved significantly. In FY 22-23 our profit before tax grew by almost 24% to Rs. 47Mn as against Rs.38Mn in previous year. The improvement in both revenues and profitability is a result of the continuous efforts towards operational efficiency in each and every aspect of our business.

We believe that the Indian economy is on a strong platform and offers a remarkable opportunity. We also believe that our customer proposition, though very strong, is underpenetrated. WeP Solutions is fiercely poised to leverage on the opportunity based on the market presence, renewed positioning and aggressive drive in the marketplace.

On the reform side, we are investing to pivot from a print managed services offering to drive a digital workplace centric offering. With the enterprise applications moving to cloud, the workplace shall assume a greater significance. We should be able to form our complete managed workplace services proposition and go to the market in FY24. Apart from that we are exploring new technology partnerships, re-positioning ourselves in the burgeoning retail services segment and leverage the make in India initiative. In the coming year, you will see us taking strong positions on new technology areas. We are looking ahead with confidence and determination.

I thank all shareholders, chairman of the board, board members, partners, employees and all other stakeholders in our journey, for their cooperation and support.

Best Regards,



Ashok Tripathy



## BUSINESS OVERVIEW

ENRICH EXPERIENCES. EMPOWER PEOPLE. ENABLE POSSIBILITIES

WepSol has been a leading provider of advanced hardware and software solutions for over two decades, helping organizations transform their workplaces into intelligent, fluid environments. Our innovative solutions enable businesses to adapt to changing cultural and technological landscapes.

With a suite of services, tools, and products, we enable organizations to advance progressively toward an intelligent workplace setup, enabling increased productivity while enhancing employee experiences. With our customer-centric approach, integrity and sustainability at the heart of WepSol, we strive to enable digital transformation for enterprises in the modern world.

WepSol offers the capability to build industry-specific solutions with customization and enable scalability with a state-of-the-art business suite.

### Our Core Values:

WepSol’s core values form the foundation of who we are and how we function. Every action we take reflects our unwavering commitment to upholding the highest ethical standards while delivering exceptional results. By embracing these values, we forge a new path towards success and sustainable practices.



#### Intensity

Passion & Commitment to make our clients successful



#### Inclusivity

We respect, trust and collaborate with our diverse stakeholders



#### Ingenuity

Challenge status-quo, experiment, seek solutions, to continuously improve



#### Integrity

Unyielding integrity in all our conduct, we do what we say

### Our Fluidic Approach

There is a need for the workplace to be enriching and meaningful for the global, tech-enabled workforce.

Our fluidic approach facilitates enterprises with an agenda to achieve an intelligent workplace goal enabling their workforce to be at their productive best.



#### Connect

Enable building strong relationships that foster an environment of relating to people, ideas, objectives, perspectives and values



#### Create

Facilitate teamwork, collective intelligence, and perspective to tackle challenges and drive innovation towards a common goal



#### Collaborate

Foster a culture of creativity and innovation, empowering teams to connect intelligently and develop impactful solutions

### Our Value Proposition:

Our value proposition is simple yet powerful.

We aim to provide unparalleled solutions that meet our customers' needs and exceed their expectations. By combining cutting-edge technology, industry expertise and a customer-centric approach, we deliver innovation with scalable services that drive tangible results.



#### Scale

Unlock growth and adaptability with our scalable solutions. Stay agile and seize new opportunities in a rapidly changing business landscape.



#### Secure

Protect your valuable assets with our comprehensive security measures. Our industry-leading protocols to safeguard your data and to stay compliant.



#### Save

Optimize efficiency, eliminate expense leaks and maximize cost savings with our streamlined solutions thereby achieving higher profitability for your business

## ENTERPRISE BUSINESS

### fluidWorks

State-of-the-art business suite enabling a flexible workplace by breaking silos, facilitating boundary-less collaboration and sparking workforce creativity.

fluidWorks offers services binding various departments and stakeholders by breaking productivity barriers, streamlining processes, and empowering the workforce to deliver work smarter.

### fluidPro fluidPrint fluidTrail fluidMap



20 + years  
Industry Experience



500 +  
Enterprise Clients



2,000 +  
Service Locations



100,000 +  
Devices

### fluidPro

fluidpro is a robust Managed IT Services offering from Wepsol aiming to enhance your organization's IT operations, optimize asset utilization and a superior user experience across your organization.

- Proactive monitoring and maintenance of your IT and network infrastructure
- Datacenter setup and management
- Help desk and technical support to assist with troubleshooting and escalations.
- Security and threat management
- Disaster Recovery
- 24/7 state-of-the-art NOC / Customer Support

### fluidPrint

India's No.1 MPS Company offers the best print management solution for your organization.

Say goodbye to inefficient and expensive print as fluidPrint optimizes your print environment, and paper usage, enables singular monitoring and reduces expense leaks through a one-window solution.

- No capital expenditures, fixed monthly charges and pay-per-print mechanism.
- Support for your existing print infrastructure
- Remote monitoring of your printer network
- Secure printing offers Pin-based printing, role and location-based access, quota restrictions.
- Extended customer support
- Presence in over 2000+ service locations

## fluidTrail

fluidtrail empowers organizations to streamline their enterprise processes through workflow automation and efficient document management. Experience enhanced productivity levels as it transforms your business into an orchestrated, agile, and capable environment.

- A robust workflow automation engine enables custom process automation.
- Drag and Drop workflow designer enables the creation and execution of simple to complex workflows with ease.
- Collaboration with internal and external stakeholders
- Ready to deploy process automation for HR, Procurement, Finance and Legal departments.
- Role and location-based user access
- Customizable MIS reports, dashboards, and analytics
- Integration with ERPs and applications through RESTful APIs

**HR Automation:** Go paperless with candidate onboarding automation. Store, archive and retrieve employee records with smart search methodologies. Eliminate physical copies through digitization. Reduced search time to less than 2 seconds.

**Procurement Automation:** Manage purchasing, approvals, compliance, payments, vendors and suppliers to generate enterprise-wide efficiencies. Reduced PR Approval time to less than seven days.

## fluidMap

Wepsol's fluidMap transforms IT asset tracking and management across the organization, effectively safeguarding vital IT assets. Through automated tracking processes, fluidMap ensures inventory management, reducing the risk of asset misplacement or loss.

- Remote printer network monitoring
- User tracking
- Printer uptime/downtime monitoring
- Multi-site support

## floTax

floTax aims to address tax challenges faced by businesses and provide a one-stop solution for taxation needs. An integrated solution that aims to simplify and streamline various tax-related mandates, including e-Invoicing automation, e-Way bill generation and reconciliation whilst staying compliant with required tax regulations.

- Advanced reconciliation – Match 6000+ invoice in one go
- Unlimited e-Invoice bulk uploads
- Role and location-based user access
- 100% ITC Claim
- Integration support for most ERPs

Smart MIS Reports and Dashboard

**PARTNER BUSINESS**

Wep Solutions Limited is a pioneer in POS and billing systems for regional F&B and retail sectors. We have been at the forefront of retail business transformation with a comprehensive suite of products for single or multi-location storefronts and back-office operations. WeP Retail Business offers Retail billing solutions through innovative in-house developed Billing Printers (BP) range of products and Android devices. We understand the needs of the modern retail sector to heighten operations efficiency and customer experience.

WeP factory at Baddi, Himachal Pradesh has received the **ZED Bronze Certificate** for Zero Defect Zero Effect from the Ministry of MSME for Manufacture. We ensure our products are constantly upgraded in their processes to achieve high productivity and high quality with the lowest effect on the environment.

Our key customer segments include the F&B sector – hotels, restaurants, cafes, retail shops, supermarkets, textiles, and other retail businesses. Our solutions range enables the fast-moving retail sector to adapt to the ever-changing technological landscape thereby offering modern touch-based Android POS systems for efficient and smart ways of printing bills.

**wep JOYPOS ELITE**

Powered by Android 11

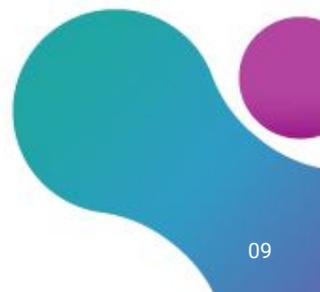
**Smart POS for the modern retail**  
Scale | Secure | Save

**TH400**

**Smart & Fast**  
Thermal Receipt Printer

**BP Ultra Pro**

**Compact**  
Thermal Billing Device



### HOOKS POS Devices and Software

Geared to increase sales and enhance customer experience, HOOKs our range of Android OS, touchscreen-enabled POS devices are equipped with the **Hooks Retail** application and **Hooks F&B** application.

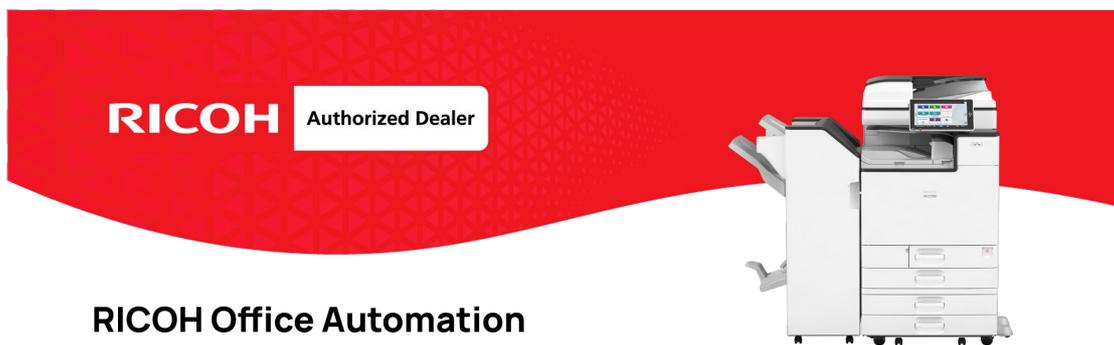
Our products are made available throughout India through a well-established network of channel partners. In addition to this, our products are sold on major e-commerce platforms and our own e-commerce platform [www.wepmyshop.com](http://www.wepmyshop.com).



POS Devices and Software

### RICOH Office Automation

WeP is the country's first officially recognised distributor of Ricoh goods and services. This strategic relationship between Ricoh Asia Pacific and WeP aims to enable businesses to work smarter and be more productive while contributing to our customers' growth in India. Through our extensive service network, we address the digital printing sector, which includes office automation, industrial and commercial printing solutions.



RICOH Office Automation

## NOTICE

Dear Member,

Notice is hereby given that the 28<sup>th</sup> Annual General Meeting ('AGM') of WeP Solutions Limited will be held on Thursday, 21st September 2023 at 4:00 p.m. (IST) through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial statements for the Financial Year ended 31<sup>st</sup> March, 2023 together with the Reports of the Board of Directors and Auditors thereon.
2. To declare a Final Dividend of Rs. 0.50/- per Equity Share for the Financial Year 2022-2023.
3. To appoint a director in place of Mr. Ayyagari Lakshmanarao, who retires by rotation and being eligible, offers himself for re-appointment.

#### **4. Re-appointment of the Statutory Auditors:**

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and pursuant to the recommendation of the Board of Directors and Audit Committee, M/s. Guru & Jana, Chartered Accountants, having Firm Registration No. 006826S be and are hereby reappointed as the Statutory Auditors of the Company for the second consecutive term of five years, from the conclusion of this 28th Annual General Meeting till the conclusion of the 33<sup>rd</sup> Annual General Meeting to be held in the year 2028, to examine and audit the accounts of the Company at such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company."

### **SPECIAL BUSINESS:**

#### **5. To approve Employee Stock Option Plan 2023**

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

**"RESOLVED THAT** pursuant to the provisions of Section 62 and other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder, Regulation 6 of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, any circulars / notifications / guidance / FAQs issued thereunder, as amended from time to time (hereinafter referred as "SEBI SBEB Regulations"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and in accordance with the Memorandum and Articles of Association of the Company and subject to such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, the Approval of the Members be and is hereby accorded to the introduction of "Employee Stock Option Plan 2023" (herein referred to as the "ESOP 2023"/ the "Scheme" or the "Plan") authorizing the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include any committee), to create, offer, issue and allot in one or more tranches under the said "ESOP 2023" at any time to or for the benefit of employees and Directors (excluding Independent Director) of the Company whether whole-time or otherwise or whether working in India or abroad, under a Plan titled "WeP Solutions Limited - Employee Stock Option Plan 2023" options exercisable upto not more than 8,00,000 (Eight Lakh) Equity shares of face value Rs.10/- each of the company, (or such other adjusted number of shares for any bonus, consolidation or other re-organization of the capital structure of the Company as may be applicable from time to time) at such prices and on such terms and conditions, in one or more tranches, as may be fixed or determined by the Board in accordance with the SEBI Guidelines, or any other applicable provisions as may be prevailing at that time."

**"RESOLVED FURTHER THAT** the Board be and is hereby authorized to issue and allot Equity Shares upon exercise of options from time to time in accordance with the said Plan and such Equity Shares shall rank pari passu in all respects with the then existing Equity Shares of the Company."

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to take necessary steps for listing of securities allotted under the Plan on the Stock Exchanges, where the securities of the company are listed, in due compliance with SEBI SBEB Regulations and other applicable laws.”

**“RESOLVED FURTHER THAT** the Board or a Committee of the Board be and is hereby authorized to prepare a suitable Plan in accordance with the SEBI Guidelines, or any other applicable provisions as may be prevailing at that time with regard to granting of options, vesting, period of exercise, exercise price, conditions for lapse of the options, tax recovery, termination or amendment to the Plan and such other terms and conditions as may be relevant from time to time.”

**“RESOLVED FURTHER THAT** for the purpose of giving effect to any creation, offer, issue or allotment or listing of the securities under the Plan, the Board/Committee be and is hereby authorized on behalf of the Company to evolve, decide upon and bring into effect and make any modifications, changes, variations, alterations or revisions in the said Plan or to suspend, withdraw or revive the Plan from time to time as per the discretion of the Board/Committee and to do all such acts, deeds and things as it may in its absolute discretion deem fit or necessary or desirable for such purpose and with power on behalf of the Company to settle any issues, questions, difficulties or doubts that may arise in this regard without requiring the Board/Committee to secure any further consent or approval of the shareholders of the Company.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any powers conferred herein to any Committee of Directors.”

**“RESOLVED FURTHER THAT** the Company Secretary of the Company be and is hereby authorised to do all such acts, deeds and things as also to execute such documents, writings etc, as may be necessary in this regard.”

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

**Place: Bengaluru**  
**Date: 12th August 2023**  
Registered Address: 40/1 A Basappa  
Complex, Lavelle Road, Bengaluru - 560001

**Yashika Pardasani**  
**Company Secretary**

## NOTES

1. An explanatory statement pursuant to Section 102 (1) of the Companies Act, 2013 setting out material facts concerning the special business is annexed hereto.
2. In conformity with the regulatory provisions and the Circulars issued by the Ministry of Corporate Affairs ('MCA') and Securities and Exchange Board of India ('SEBI'), has permitted companies to hold their AGM through VC/OAVM for period up to September 30, 2023 without the physical presence of the shareholders. In compliance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA circulars, the 28<sup>th</sup> Annual General Meeting ('AGM') of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
3. In line with the applicable regulatory requirements, Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories/Registrar & Transfer Agent ('RTA'), unless any Member has requested for a physical copy of the same. The Notice of AGM and Annual Report 2022-23 are available on the Company's website at [www.wepdigital.com](http://www.wepdigital.com) and may also be accessed from the relevant section of the website of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also available on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
4. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and route map of AGM are not annexed to this Notice.
5. **Norms for furnishing of PAN, KYC, Bank details and Nomination:** Pursuant to SEBI Circular no. SEBI/HO/MIRSD/MIRSDPoD1/P/CIR/2023/37 dated March 16, 2023, issued in supersession of earlier circulars issued by SEBI bearing nos. SEBI/HO/MIRSD/MIRSD RTAMB /P/CIR/2021/655 and SEBI/HO/MIRSD/MIRSD RTAMB/P/CIR/2021/687 dated November 3, 2021 and December 14, 2021, respectively, SEBI has mandated all listed companies to record PAN, Nomination, Contact details, Bank A/c details and Specimen signature for their corresponding folio numbers of holders of physical securities. The folios wherein any one of the cited documents/details is not available on or after October 1, 2023, shall be frozen by the RTA. The securities in the frozen folios shall be eligible:
  - To lodge any grievance or avail of any service, only after furnishing the complete documents / details as mentioned above
  - To receive any payment including dividend, interest or redemption amount (which would be only through electronic mode) only after they comply with the above stated requirements. The forms for updation of PAN, KYC, bank details and Nomination viz., Forms ISR-1, ISR-2, ISR-3, SH-13 is available in our website, [www.wepdigital.com](http://www.wepdigital.com). We urge Members holding shares in physical form to submit the required forms along with the supporting documents at the earliest. The Company has despatched a letter to the Members holding shares in physical form in relation to the above referred SEBI Circular. Members who hold shares in dematerialised form and wish to update their PAN, KYC, Bank details and Nomination, are requested to contact their respective DPs. Further, Members holding shares in physical form are requested to ensure that their PAN is linked to Aadhaar to avoid freezing of folios. Such frozen folios shall be referred by RTA/Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002, after December 31, 2025.
6. In compliance with Section 108 of the Act, read with the corresponding rules, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), the Company has provided a facility to its members to exercise their votes electronically through the electronic voting ("e-voting") facility provided by the National Securities Depository Limited (NSDL).

7. National Securities Depository Limited (NSDL) will be providing the facility for voting through remote e-voting, for participation in the AGM through VC/OAVM facility and e-voting during the AGM. The procedure for participating in the meeting through VC/OAVM is explained in this Notice. The attendance of the Members through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
8. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC/OAVM.
9. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company at its registered office or email at [investor@wepsol.in](mailto:investor@wepsol.in), a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting at least 3 days before the AGM.
10. Members who have cast their votes by remote e-voting prior to the AGM may participate in the AGM but shall not be entitled to cast their votes again. The manner of voting remotely by members holding shares in dematerialized mode, physical mode and for members who have not registered their email addresses is provided in the instructions for e-voting section which forms part of this Notice.
11. The Members can join the AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Compensation Committee and Shareholders/Investors' Grievance cum Share Transfer Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
12. The Board has appointed Vinay B L, Practicing Company Secretaries, as the Scrutinizer to scrutinize the e-voting in a fair and transparent manner.
13. The e-voting period commences on Saturday, 16th September 2023 (9:00 a.m. IST) and ends on Wednesday, 20th September (5:00 p.m. IST). During this period, members holding shares either in physical or dematerialized form, as on cut-off date, i.e. as on Thursday, 14th September 2023 may cast their votes electronically. The e-voting module will be disabled by NSDL for voting thereafter. A member will not be allowed to vote again on any resolution on which vote has already been cast. The voting rights of members shall be proportionate to their share of the paid-up equity share capital of the Company as on the cut-off date, i.e. as on Thursday, 14th September 2023.
14. Any person who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if he / she is already registered with NSDL for remote e-voting then he / she can use his / her existing user ID and password for casting the vote.
15. The register of members will remain closed from Friday, 15th September 2023 to Thursday, 21st September 2023 (Both days inclusive).
16. The Scrutinizer shall after the conclusion of e-Voting at the 28th AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting system and shall make a consolidated Scrutinizer's Report.
17. The Scrutinizer will submit the report to the Chairman of the Company ('the Chairman') or to any other person authorized by the Chairman. Results of voting will be declared within 2 working days from the conclusion of AGM. The declared results along with the Scrutinizer's Report will be available forthwith on the website of the

Company [www.wepdigital.com](http://www.wepdigital.com) and on the website of NSDL. Such results will also be displayed on the Notice Board at the Registered Office of the Company as well and shall be forwarded to the BSE Limited.

18. Details as required in sub-regulation (3) of Regulation 36 of the SEBI Listing Regulations and Secretarial Standard on General Meeting (SS-2) of ICSI in respect of the Director seeking re-appointment at the Annual General Meeting, forms an integral part of the Notice.
19. At the 26th AGM held on 20th September 2021, Members approved the appointment of M/s. Guru & Jana, as the Statutory Auditors of the Company having Registration No. 006826S, for a term of two consecutive years i.e., from the conclusion of the 26th AGM till the conclusion of the 28th AGM of the Company to be held in the year 2023. Since the term of the said Statutory Auditor is expiring at the ensuing AGM, M/s. Guru & Jana has been proposed to be re-appointed for the period of five consecutive years from the conclusion of this Annual General Meeting of the Company till the conclusion of 33rd Annual General Meeting. The disclosure required under Regulation 36(5) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 have been annexed to this Notice.
20. The Company is not having any unclaimed dividend amount to be transferred to Investor Education and Protection Fund (IEPF).
21. **DIVIDEND:** The dividend, as recommended by the Board of Directors, if approved at the Annual General Meeting, would be paid subject to deduction of tax at source, as may be applicable, to those persons or their mandates whose names appear as Beneficial Owners as on the record date i.e, Thursday, 14th September 2023 in the list of Beneficial Owners to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited.
22. **ELECTRONIC CREDIT OF DIVIDEND:** SEBI has made it mandatory for all companies to use the bank account details furnished by the Depositories and the bank account details maintained by the Registrar and Transfer Agent for payment of dividend to Members electronically. The Company has extended the facility of electronic credit of dividend directly to the respective bank accounts of the Member(s) through the Electronic Clearing Service (ECS) / National Electronic Clearing Service (NECS) / National Electronic Fund Transfer (NEFT) / Real Time Gross Settlement (RTGS) / Direct Credit, etc.
23. As directed by SEBI, the Members holding shares in physical form are requested to submit particulars of their bank account in Form ISR 1 along with the original cancelled cheque bearing the name of the Member to M/s. Cameo Corporate Services Limited (RTA) to update their bank account details. Members holding shares in demat form are requested to update their bank account details with their respective Depository Participant ("DP"). The Company or RTA cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participants of the Members.
24. Shareholders are requested to ensure that their bank account details in their respective demat accounts are updated, to enable the Company to provide timely credit of dividend in their bank accounts. In case, the Company is unable to pay dividend to any Member by the electronic mode, due to non-availability of the details of the bank account, the Company shall dispatch the dividend warrant/demand draft to such Member by post/courier.
25. **TDS ON DIVIDEND:** Pursuant to the Income-tax Act, 1961, as amended by the Finance Act, 2020, dividend income has become taxable in the hands of shareholders with effect from 1st April, 2020 and therefore, the Company shall be required to deduct tax at source (TDS) from dividend paid to shareholders at the prescribed rates.
26. Shareholders are requested to update their Permanent Account Number ("PAN") with the Company / RTA (in case of shares held in physical mode) and depositories (in case of shares held in demat mode) before Thursday, 14th September 2023.

## THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER

### THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:

The remote e-voting period begins on **Saturday, 16th September 2023** at 09:00 A.M. and ends on **Wednesday, 20th September 2023** at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. **Thursday, 14th September 2023**, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being **Thursday, 14th September 2023**.

#### How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

#### Step 1: Access to NSDL e-Voting system

##### A. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "<b>Beneficial Owner</b>" icon under "<b>Login</b>" which is available under '<b>IDeAS</b>' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "<b>Access to e-Voting</b>" under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "<b>Register Online for IDeAS Portal</b>" or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReq.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReq.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>

Type of shareholders	Login Method
	<p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;"><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: center; gap: 20px;"> <div style="text-align: center;">  App Store         </div> <div style="text-align: center;">  Google Play         </div> </div> <div style="display: flex; justify-content: center; gap: 40px; margin-top: 10px;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

**B. Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.  
*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 125578 then user ID is 125578001***

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
  
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
  
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

## Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

### How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote

### General Guidelines for shareholders

1. 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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [vinay@vinaybl.com](mailto:vinay@vinaybl.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

### **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [investor@wepsol.in](mailto:investor@wepsol.in)
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [investor@wepsol.in](mailto:investor@wepsol.in). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience. Further Members will be required to allow Camera and use the Internet with a good speed to avoid any disturbance during the meeting.
3. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
4. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number [investor@wepsol.in](mailto:investor@wepsol.in). The same will be replied by the company suitably.
5. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the Meeting.
6. Shareholders who would like to express their views/ ask questions during the meeting may register themselves as speaker may send their request mentioning their name, demat account number/folio no., email id , mobile no. atleast 5 days prior to the meeting at [investor@wepsol.in](mailto:investor@wepsol.in).
7. The Company reserves the right to limit the number of members asking questions depending on the availability of time at the AGM.

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

**Place: Bengaluru  
Date: 12th August 2023**

**Yashika Pardasani  
Company Secretary**

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

### Item No. 5: Employee Stock Option Plan 2023

The Company proposes to introduce ESOP 2023 for the benefit of the present and future permanent employees (in India or outside India) and directors (whether whole-time or not) and such other eligible persons as may be determined as per SEBI SBEB Regulation 2021. Options granted under the Scheme shall vest on satisfaction of vesting conditions which can thereafter be exercised resulting in allotment of equity shares of the Company.

The Nomination and Compensation Committee ("Committee") of the Company shall be the Committee for administration of ESOP 2023. All questions of interpretation of the ESOP 2023 shall be determined by the Committee and such determination shall be final and binding.

The main features of ESOP 2023 are as under:

Sr. No	Particulars	Description
1.	Plan	WeP Solutions Limited Employee Stock Option Plan, 2023 ('ESOP 2023')
2.	Total No. of Options to be granted	8,00,000 (Eight Lakh) equity shares. Lapsed or non-exercised or unvested options will be available for re-grant.
3.	Identification of classes of employees entitled to participate in ESOP 2023	All permanent employees of the company and such other persons as may be prescribed by Securities and Exchange Board of India (SEBI) from time to time.
4.	Appraisal Process for Determining the employee eligibility	The Nomination and Compensation Committee shall determine the eligibility on the basis of performance, period of Service, managerial and technical knowledge, and future potential etc.
5.	Requirements of vesting & Period of vesting & the Maximum period within which the options will be vested	The continuation of employee in the services of the Company shall be the primary requirement of the vesting.  The minimum vesting period would be one year from the date of grant and maximum period would range from three to five years as decided by the Compensation Committee.
6.	Administration	Remuneration/Compensation Committee of the Board shall formulate the detailed terms and conditions of the Plan and supervise the same. The Company may also set up an exclusive Employees Welfare Trust for the implementation of the Plan, its administration and such other related assignments in accordance with the terms and conditions of the Plan.
7.	Role of Nomination and Compensation Committee	To prepare a suitable Plan in accordance with the SEBI Guidelines, or any other applicable provisions as may be prevailing at that time with regard to granting of options, vesting, period of exercise, exercise price, conditions for lapse of the options, tax recovery, termination or amendment to the Plan and such other terms and conditions as may be relevant from time to time.

Sr. No	Particulars	Description
8.	Maximum period within which the options will be vested	Options granted under ESOP 2023 would Vest not less than 1(one) year and not more than five (5) years from the date of grant of such options. Vesting of Options would be subject to continued employment with the Company and thus the Options would vest with the passage of time.
9.	Exercise price or Pricing formula	The equity shares would be issued at a market price (Exercise Price) which would be the latest available closing price on the Stock Exchange (BSE), on the Date prior to the date of the meeting of the Board/Committee at which options are granted, but not Less than face value per share or at such price as the Board/Committee may determine on the date(s) of grant of option(s) but not less than face value per share.
10.	Exercise period and the process of exercise	The stock options granted under ESOP 2023 shall be exercisable within a period of 60 months from the date of vesting and shall be exercisable under such conditions as may be determined by the Compensation Committee from time to time. The Options shall be exercisable in whole within the Exercise period permitted under the Plan.
11.	Lock in Period	The Shares issued upon Exercise of Options shall be freely transferable and will not be subject to any lock in period after such exercise.
12.	Maximum number of options to be issued per employee and in aggregate	The maximum number of Stock Options granted to any one employee in a year shall be less than 1% of the issued Equity Share Capital at the time of grant of Stock Options.
13.	Accounting and Disclosure Policies	The company shall follow the Guidance Note on Accounting for Employee Equity Share Based Payments and/or any relevant Accounting Standards as may be prescribed therein as per Regulation 15 of SEBI (SBEB) Regulations 2021.
14.	Method of Valuation	To calculate the employee compensation cost, the Company shall use the fair value method for Valuation of the options granted. However, in case the company follows the intrinsic value of stock option, the difference between the employee compensation cost so computed and employee compensation cost that shall be recognized, if the company had used fair value of the options shall be disclosed in the Director's Report and also the impact of the difference on the profits and the Earnings per share of the Company.
15.	Conditions under which option vested in employees may lapse	Vested Options which result to non- exercise and/or unvested options that get cancelled due to resignation/ termination of the employee will get lapsed.

Consent of the Members is being sought pursuant to applicable provisions of the Companies Act 2013 and applicable regulations of the SEBI (SBEB) Regulation 2021.

Save and except the above, none of the Directors, Key Managerial Personnel of the Company including relatives and interested or concerned in the resolution, except to the extent of their entitlements, if any, under ESOP Plan 2023 and to the extent of their shareholding, if any.

The Board recommends the Special Resolution in Item no. 5 of this Notice for the approval by the Members.

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

**Place: Bengaluru  
Date: 12th August 2023**

**Yashika Pardasani  
Company Secretary**

**INFORMATION PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS 2015 READ WITH SECRETARIAL STANDARD - 2 ON GENERAL MEETINGS ON DIRECTOR RECOMMENDED FOR RE-APPOINTMENT AT THE 28<sup>TH</sup> ANNUAL GENERAL MEETING VIDE ITEM NO. 3 OF THE NOTICE AS FOLLOWS:**

<b>Name of the Director</b>	<b>Mr. Ayyagari Lakshmanarao</b>
DIN	02919040
Age/Date of Birth	75 years, 6 <sup>th</sup> September, 1948
Brief Resume	Mr. Ayyagari Lakshmanarao is a reputed consultant in the areas of IT Strategies, R&D and Quality Management. He has worked in Wipro for more than 26 years prior to becoming an IT Consultant. He has been instrumental in seeding and growing several IT business practices and IT services including Testing Services, Business Intelligence.
Terms and Conditions of Re-appointment	In terms of Section 152(6) of the Companies Act, 2013, Mr. Ayyagari Lakshmanarao is liable to retire by rotation and being eligible offers himself for re-appointment.  Mr. Rao has attained the age of 75 years whose continuation as Non-Executive Director is approved by Members through Postal Ballot dated 16th September 2022.
Directorship	<ol style="list-style-type: none"> <li>1. WeP Solutions Limited</li> <li>2. Prazim Trading and Investment Company Private Limited</li> <li>3. Tarish Investment and Trading Company Private Limited</li> <li>4. Hasham Investment and Trading Co. Pvt. Ltd.</li> <li>5. WeP Peripherals Limited</li> <li>6. Sumeru Software Solutions Private Limited</li> <li>7. Sumeru Enterprise Tiger Business Solutions Private Limited</li> <li>8. Trianz IT &amp; Cloud Solutions Private Limited</li> <li>9. Trianz Digital Consulting Private Limited</li> <li>10. Sumeru Digital Solutions Private Limited</li> </ol>

Listed entities from which the person has resigned in the past three years	Nil
Membership & Chairmanship of Committees of Listed Entities (Including Audit Committee & Stakeholders Relationship Committee)	Mr. Ayyagari Lakshmanarao is the Chairman of Shareholders/Investors' Grievance cum Share Transfer Committee of Wep Solutions Limited
Shareholding in the Company including shareholding as a beneficial owner as on 31st March, 2023	546,509 Equity Shares
Relationship with other Directors / Key Managerial Personnel	None
No. of Board Meeting Attended	7
Remuneration details	Refer to the Corporate Governance section of the Annual Report

**AN EXPLANATORY STATEMENT PURSUANT TO REGULATIONS 36(5) OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, RELATING TO RE-APPOINTMENT OF AUDITORS IS GIVEN HEREIN BELOW (ITEM NO 4):**

This explanatory statement is in terms of Regulation 36(5) of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), however, the same is strictly not required as per Section 102 of the Act.

The Audit Committee on considering and evaluating various factors such as experience, competency of the audit team, efficiency in conduct of audit, independence of the Auditor, etc., has recommended the Board for re-appointment of M/s. Guru & Jana, as Statutory Auditors of the Company, for the second term of 5 consecutive years. The Board of Directors recommended the appointment of M/s. Guru & Jana, as the Statutory Auditors, for a term of five consecutive years from the conclusion of the Twenty Eighth AGM till the conclusion of Thirty-Third AGM of the Company to be held in the year 2028, at a remuneration as may be mutually agreed between the Board of Directors and Statutory Auditors.

M/s. Guru & Jana have consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act.

The Board recommends the Ordinary Resolution set out at **Item no 4** of the Notice for approval by the Members.

None of the Directors and Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested in the Resolution set out in item no. 4 of the Notice.

## DIRECTORS' REPORT

To the Members,

Your directors are pleased to present the 28th Annual Report of the Company along with the Audited Financial Statements for the Financial Year ended March 31, 2023.

### Financial Performance

The Company's financial performance for the year ended March 31, 2023 is summarized below:

(₹ in Lakhs)		
Particulars	2022-23	2021-22
Revenue from Operations	9,220.35	11,079.98
Other Income	139.27	91.33
<b>Total Revenue</b>	<b>9,359.62</b>	<b>11,171.31</b>
<b>Profit /Loss Before Depreciation, Interest and Taxes</b>	<b>1,491.27</b>	<b>1,383.07</b>
Finance Cost	87.00	96.82
Depreciation and Amortization	938.69	911.04
<b>Profit/Loss Before Tax</b>	<b>465.58</b>	<b>375.21</b>
Provision for Tax	(118.53)	116.11
Other Comprehensive Income	6.55	3.93
<b>Profit/(Loss) for the Year</b>	<b>590.66</b>	<b>263.02</b>
Earnings Per Share (Equity share par value Rs. 10/-each)		
Basic (Rs. per share)	1.61	0.72
Diluted (Rs. per share)	1.59	0.71

### Management Discussion and Analysis Report

Management Discussion and Analysis Report for the year under review as stipulated under Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended is presented in a separate section forming integral part of this Annual Report.

### Dividend and Reserves

Your Directors are pleased to recommend a final Dividend of Rs. 0.50/- per equity share of face value of Rs.10/- for the year ended 31st March 2023. The Final Dividend, subject to the approval of Members at the Annual General Meeting on 21st September, 2023, will be paid to the Members whose names appear in the Register of Members, as on the Record date i.e., 14th September, 2023. Your Directors do not propose to transfer any amount to the General Reserves. In view of the changes made under the Income-tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the Shareholders. Your Company shall, accordingly, make the payment of the Final Dividend after deduction of tax at source.

### Unpaid/Unclaimed Dividends

In accordance with the provisions of Sections 124 and 125 of the Act and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') dividends not encashed/claimed within seven years from the date of declaration are to be transferred to the Investor Education and Protection Fund ('IEPF') Authority.

The IEPF Rules mandate Companies to transfer shares of Members whose dividends remain unpaid/unclaimed for a continuous period of seven years to the demat account of IEPF Authority. The Members whose dividend/shares are transferred to the IEPF Authority can claim their shares/ dividend from the Authority.

The Company has uploaded the unpaid and unclaimed dividend details for the financial year 2022-23 lying with the Company for the dividend declared previously, on the Company's website at [www.wepdigital.com](http://www.wepdigital.com). The shareholders are requested to verify their records and claim their unclaimed dividends for the past year, if not claimed.

### Share Capital

During the year under review, the Company has issued and allotted 1,40,500 Equity Shares of Rs.10/- each at an exercise price of Rs.10/- per share to the eligible employees pursuant to exercise of stock options granted under Employee Stock Option Plan 2011 and Employee Stock Option Plan 2016.

Consequently, the Paid-up Equity Share Capital of the Company as on 31st March 2023 stood at Rs. 36,35,36,945/- consisting of 3,63,53,112 Equity Shares of Rs. 10/- each.

### Public Deposit

During the year under review, your Company has not accepted any deposit within the meaning of Section 73 and 74 of the Companies Act 2013 read with the Companies (Acceptance of Deposit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force.)

### Corporate Governance

Pursuant to Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended, your company adheres to all the Corporate Governance Code as prescribed by the BSE Ltd. and Securities and Exchange Board of India (SEBI).

A detailed Corporate Governance Report is made a part of this Annual Report. A certificate from Practicing Company Secretary regarding Compliance of the conditions of Corporate Governance as stipulated in Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended is attached to this report.

### Board of Directors

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

#### A. Appointments and Inductions

The Board of Directors, on the recommendation of Nomination and Compensation Committee, appointed Mr. Ashok Tripathy as an Additional Director under Section 161(1) of the Companies Act, 2013 with effect from 3rd June, 2022 whose term to hold office was upto the 27th Annual General Meeting. The Board, subject to the approval of Members further had appointed Mr. Ashok Tripathy as the Managing Director and CEO of the Company under the provisions of 196, 197 and 203 of the Companies Act, 2013 for the period of 3 years with effect from June 3, 2022 upto June 2, 2025 which was subsequently approved by the Members at the 27th Annual General Meeting and the postal Ballot conducted thereafter.

The Members through Postal Ballot had approved the continuation of directorship of Mr. Ayyagari Lakshmanarao as Non-Executive Director after attaining the age of 75 Years and appointment of Mr. Ram Narayan Agrawal as Non-Executive, Non- Independent Director of the Company.

#### B. Retirement by Rotation and Subsequent Re-appointment

Dr. A.L Rao is liable to retire by rotation at the ensuing Annual General Meeting. Dr. A.L Rao has confirmed his eligibility and willingness to accept the office of the Director of your Company, if confirmed by the Members at the ensuing Annual General Meeting.

#### C. Resignation of Director

During the year under review, there was no resignation received from any member of the Board.

## D. Performance Evaluation of Directors

Pursuant to the provisions of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, performance evaluation of the Board, its committees and individual Directors was conducted.

A separate meeting of the Independent Directors was convened, which reviewed the performance of the Board as a whole, the Non-Independent Directors and the Chairman of the Company against the objectives set at the beginning of the year.

### Board Evaluation

In compliance with the Act and Listing Regulations, the Board carried out an annual evaluation of its performance as well as of the working of its committees and individual directors including Chairman of the Board. This exercise was carried out through a structured questionnaire prepared separately for the Board, Committees and Individual Directors. Performance evaluation of Executive Chairman and Managing Director was carried out by Independent Director at a separate meeting.

The Board's functioning was evaluated on various aspects, including inter alia, structure of Board strategy, meetings of the Board, stakeholders value and responsibility, performance management, information management, governance and compliance, performance parameters. The Directors were evaluated on aspects such as strategy, functions, ethics and values, team player self-development and other general criteria.

The Committees of the Board were evaluated on aspects such as mandate, composition and terms of reference of the Committees, reviews and decision making, core governance and compliance as a whole.

The performance evaluations of the independent Directors were carried out by the entire Board, excluding the Directors being evaluated. The performance evaluation of the Chairman and the Non-Independent Directors were carried out by the Independent Directors who also reviewed the performance of the board as a whole.

The feedback of the evaluation to the Board was placed as below:

1. The Composition and tenure of the members can be reviewed and improved to achieve better balance in terms of continuity and bringing fresh perspective.
2. There can be greater focus on discussing strategic matters and business growth initiatives than operations.

## E. Committees of the Board

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

## F. Independent Directors' Declaration

Independent Directors have submitted a declaration that each of them meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

Further, there has been no change in the circumstances which may affect their status as 'Independent Director' during the year under review.

## G. Familiarization Program for Independent Directors

Pursuant to Regulation 25(7) and Regulation 46(2) (i) of Chapter IV of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Company conducts the 'Familiarization Program' when a new Independent Director joins the Board of the Company.

Familiarization Program' provide an opportunity to the Independent Directors to interact with the senior leadership team of the Company and help them to understand their roles, rights and responsibilities, Company's strategy, business model, operations, service and product offerings, markets, organization structure, finance, human resources, technology, quality, facilities and risk management and such other areas as may arise from time to time. The details of the 'Familiarization Program' have also been uploaded on the website of the Company at [www.wepdigital.com](http://www.wepdigital.com)

#### H. Statutory Disclosures

None of the Directors of your company are disqualified as per the provisions of section 164(2) of the Companies Act, 2013. Your Directors have made necessary disclosure as required under various provisions of section of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

#### Directors' Responsibility Statement

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

- (a) In the preparation of the annual accounts for the Financial Year 2022-23, the applicable accounting standards had been followed and there are no material departures;
- (b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The Directors had prepared the annual accounts on a going concern basis;
- (e) The Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### Material Changes and Commitments

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

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

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

#### Extract of Annual Return

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2023 is available on the Company's website at [www.wepdigital.com](http://www.wepdigital.com)

#### Credit Rating

During the year under review, the Company was assigned a rating of CARE BBB Minus (Stable) for the Long-Term Bank Facilities and CARE A 3 for the Short-Term Bank Facilities by CARE Ratings Limited.

## Corporate Social Responsibility

As the Company does not meet the criteria mentioned in section 135 of the Companies Act, 2013, the provisions of Corporate Social Responsibility are not applicable.

## Particulars of Loans, Guarantees and Investments

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the notes to the financial statements provided in this Annual Report.

## Statutory Auditors and their Report

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and rules framed thereunder, M/s Guru & Jana, Chartered Accountants, Bengaluru (Firm Registration Number: 006826S) were appointed as the Statutory Auditors in the 26<sup>th</sup> Annual General Meeting of the Company for a period of 2 years w.e.f 20<sup>th</sup> September 2021 whose term is expiring in the ensuing Annual General Meeting. The Board has recommended to the Members for the reappointment of M/s. Guru & Jana, Chartered Accountants, as the Statutory Auditors of the Company who has confirmed their eligibility, for a term of 5 years from the conclusion of ensuing Annual General Meeting. The said resolution for the appointment of Statutory Auditors forms part of the Notice of 28<sup>th</sup> Annual General Meeting.

The Report given by the Auditors on the financial statement of the Company is part of this Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review. The observations of the Auditor, together with notes to accounts referred to in the Auditors' Report are self explanatory and do not call any further explanation from the Directors.

## Secretarial Auditor and their Report

Pursuant to the provisions of the Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed S Kannan and Associates, Practicing Company Secretary, Bengaluru (Firm Registration No.: S2017KR473100) to undertake the Secretarial Audit of your Company for the Financial Year 2022-23. The Secretarial Audit Report for the Financial Year ended 31<sup>st</sup> March 2023 in **Form MR 3** is presented in **Annexure II** attached to this report. The Report does not contain any qualifications, reservation or adverse remarks or disclaimers.

## Compliance with Secretarial Standards

During the year under review, your Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

## Related Party Transactions

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business and that the provision of Section 188(1) of the Companies Act, 2013 are not attracted.

During the year under review, the Company has not entered into any Contract/arrangement/transactions with related parties that will qualify as material in accordance with the policy of the Company on materiality of related party transactions. Related Party Transactions, if any, are placed before the Audit Committee and the Board for review and approval on annual basis.

Form AOC 2 pursuant to clause (h) of Section 134(3) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014 is furnished in **Annexure III** attached to this report.

The Policy to determine materiality of related party transactions and dealing with related party transactions as approved by the Board of Directors is available on the Company's website [www.wepdigital.com](http://www.wepdigital.com)

## Risk Management

The Company has a well-defined process in place to ensure appropriate identification and treatment of risks. The identification of risks is done at strategic, business, operational and process level. While the mitigation plan and actions for risks belonging to strategic, business and key critical operational risks are driven by senior leadership, for rest of the risks, operating managers drive the conception and subsequent action and mitigation plan.

The key strategic, business and operational risks which are significant in terms of their impact to the overall objectives of the Company along with status of the mitigation plans are periodically presented and discussed in the Audit Committee meetings. Inputs from the Committee are duly incorporated in the action plans. All significant risks are well integrated with functional and business plans and are reviewed on a regular basis by the senior leadership.

## Internal Financial Control System and Adequacy

According to Section 134(5)(e) of the Companies Act 2013, the term Internal Financial Control (IFC) means the policies and procedures adopted by the company for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, safeguarding of company's assets, the prevention and detection of frauds and errors, the accuracy and completeness of accounting records and timely preparation of reliable financial information.

During the year, the company appointed M/s JAA Associates Chartered Accountants, as their internal auditors in place of M/s Gnanoba & Bhat, Chartered Accountants. The Board wishes to place on record their sincere thanks and appreciation towards M/s Gnanoba & Bhat for their services during their association with the company.

The Company's internal control systems are commensurate with its size and the nature of its operations. The Company has well placed, proper and adequate Internal Financial Control (IFC) which ensures that all assets are safeguarded and protected and that the transactions are authorized, recorded and reported correctly. The Internal Auditors of the Company M/s JAA & Associates, Chartered Accountants, Bengaluru independently evaluate the adequacy of internal controls and concurrently audit the majority of the transactions in value terms.

Independence of audit is ensured by direct reporting of the Internal Auditors to the Audit Committee of the Board.

During the year, the Internal Auditors have also been engaged for providing assistance in improving Internal Financial Control (IFC) framework.

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

During the year under review, no significant material orders were passed by the Regulators or Courts or Tribunals impacting the going concern status and your Company's operations.

## Employee Stock Option Plan

The Company has Employee Stock Option Plan 2011 and Employees Stock Option Plan 2016 which is administered by the Nomination and Compensation Committee for the benefit of employees. During the Financial Year 2022-23, there has been no change in the Employee Stock Option Plan 2011 and Employees Stock Option Plan 2016 of the Company. During the period under review, 140,500 Equity Shares Options were exercised by the employees.

The Company, from time to time, provides share-based payments to its employees. These payments are provided in the form of stock options that can be exercised once the employee has completed specified service term with the Company. All share-based employee payments will be settled in Equity Shares. Pursuant to Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and as required under the Securities and Exchange Board of India Regulations, the applicable disclosures as on 31st March 2023 is as tabulated below:

	ESOP Plan 2011	ESOP Plan 2016
Date of Shareholders' Approval	27 <sup>th</sup> September 2011	22 <sup>nd</sup> September 2016
Total number of Options approved under the scheme	6,00,000	6,00,000
Vesting Schedule		
On Completion of 12 months from the date of Grant of Options	30%	30%
On Completion of 24 months from the date of Grant of Options	30%	30%
On Completion of 36 months from the date of Grant of Options	40%	40%
Exercise Price	Rs. 10 per share	Rs. 10 per share
Exercise Period	5 Years from the date of vesting	5 Years from the date of vesting
Option movements during the year		
Options outstanding at the beginning of the year	2,13,200	3,57,000
Options granted during the year	97,000	2,22,000
Options Lapsed during the year	68,000	74,500
Options vested and available for exercise	46,200	1,28,500
Options exercised during the year	29,000	1,11,500
Variations of terms of Options	None	None
Money realised by exercise of Options (Rs.)	2,90,000	11,15,000
Total number of Options in force as at the end of the year	2,13,200	3,93,000
Vested and available for exercise	46,200	1,28,500
Unvested	1,67,000	2,64,500

Options granted to KMPs during the year at an exercise price of Rs. 10/- are as given below:

Name of Employees	Designation	ESOP Plan 2011/ ESOP Plan 2016	No. of options granted during the financial year 2022-23
Mr. Sandeep Kumar Goyal	CFO and ED	ESOP Plan 2016	50,000
Mr. Ashok Tripathy	CEO and MD	ESOP Plan 2016 ESOP Plan 2011	1,03,000 97,000

The Board has recommended to the Members for approving the new Employee Stock Option Plan 2023 whose terms and conditions are annexed to the Notice forming part of the Explanatory Statement.

### Vigil Mechanism/Whistle Blower Policy

Your Company's Vigil Mechanism provides a formal mechanism to the Directors and Employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of Directors and Employees who avail of the mechanism and have provided them direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company have been denied access to the Audit Committee.

During the year under review, no employee was denied access to the Audit Committee. During the Financial Year 2022-23, Company has received NIL complaint. The Whistle Blower Policy as approved by the Board of Directors is available on the Company's website [www.wepdigital.com](http://www.wepdigital.com)

### **Prevention of Sexual Harassment of Women at Workplace**

The Company has in place a Prevention of Sexual Harassment Policy in line with requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this policy. Internal Complaints Committee has been set up across locations in India to redress complaints received regarding sexual harassment. The cases reported to such Committee are investigated by the respective Committee members and the detailed report thereon is presented to the Board of Directors on a regular basis.

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment of woman at workplace and to provide a platform for redressal of complaints and grievances against sexual harassment. During the Financial Year 2022-23, Company has not received any complaint on sexual harassment.

### **Research and Development**

WeP has dedicated Research & Development team focused on Retail, Printer and Application Specific Printer products solutions. WeP R&D has complete in-house facility for executing projects from concept to product involving various engineering domains like Electro Magnetics, Power Electronics, Thermal and Vibration. WeP with rich experience in design and development of mechatronics products has delivered 300+ varieties of products. WeP design team has delivered products that deal with dynamics of mechanical components and its behavioral study with electronics for all extreme conditions and adherence to the International Standards and Certifications. R&D team has executed several application specific printer projects for Voting Machine, Petrol Bunk, Retail Automation, Pharmacy and Dairy Segments.

### **Policies of Company**

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

1. Code of Conduct for Directors and Senior Management Personnel
2. Whistle Blower's Policy
3. Prevention of Sexual Harassment Policy
4. Related Party Transaction Policy
5. Compensation Policy
6. Internal Code for Prevention of Insider Trading
7. Policy for Determining Material Subsidiaries
8. Policy for Determining Materiality of Event or Information
9. Policy for Preservation of Documents
10. Familiarization Program for Independent Director

### **Particulars of Employees**

The information required pursuant to Section 197 of Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, shall be provided on request. The Company is not having any employee drawing remuneration exceeding the limits as specified under the Companies Act, 2013. The applicable disclosures as on 31st March 2023 pursuant to the provisions of Companies Act, 2013 is furnished in **Annexure IV** and is attached to this report.

## Depository System

The Company's shares are tradable compulsorily in electronic mode. In India there are two depositories i.e. National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL). To facilitate trading in DEMAT form; Company has established connectivity with both the depositories. Currently about 99.13 % of the Issued Capital is held in electronic mode.

## Statutory Information and other Disclosures

There has been no change in the nature of business of the Company during the year under review.

## Listing Fees

The Company confirms that it has paid the Annual Listing Fees for the Financial Year 2022-23 to BSE Ltd.

## Human Resources

As a part of company's drive to continue to nurture talent, your company has developed structured HR policies and programs in the area of resourcing, performance management system, and competency based training and development and talent management to support the current and future need of the organization. Your Directors take this opportunity to record their appreciation for the contribution of all employees of your company during the year.

## Industrial Relations

Your company has always considered its workforce as its valuable assets and continues to invest in their excellence and development programs. Your company has taken several initiatives for enhancing employee engagement and satisfaction. Your company maintains healthy, cordial and harmonious industrial relation at all levels. The industrial relation in all respect to all other manufacturing facilities and divisions of your company is normal.

## Green Initiative

Your Company is concerned about the environment and utilizes natural resources in a sustainable way. The Ministry of Corporate Affairs (MCA) Government of India, through its Circular Nos. 17/2011 and 18/2011 dated 21<sup>st</sup> April, 2011 and 29<sup>th</sup> April, 2011, respectively has allowed the companies to send official documents to their shareholders electronically as part of its green initiative in Corporate Governance.

Recognizing the spirit of the Circulars issued by the MCA, we are sending the documents like Notice convening the General Meetings, Financial Statements, Director's Report, Auditor's Report and other documents to the e-mail address provided by you with the relevant depositories, we request you to update your mail address with your depository participants to ensure that the Annual report and other documents reach you on your preferred mail.

## Acknowledgments

Your Directors wish to convey their gratitude and place on record their appreciation for all the employees at all levels for their hard work, solidarity, cooperation and dedication during the year.

Your Directors sincerely convey their appreciation to Customers, Shareholders, Vendors, Bankers, Business Associates, Regulatory and Government authorities for their continued support and cooperation.

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

**Date: 12<sup>th</sup> August 2023**  
**Place: Bengaluru**

**Ram N Agrawal**  
**Chairman and Non-Executive Director**

## ANNEXURE I

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

The statement giving the particulars relating to conservation of energy, technology absorption and foreign exchange earnings and outgo, as required in terms of Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is given below and forms part of the Directors' Report.

Disclosure of Particulars with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, as prescribed under Rule 8(3) of the Companies (Accounts) Rules, 2014

#### A. Conservation of Energy:

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

**However, the company has taken the following adequate measures to conserve the energy:**

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

#### B. Technology Absorption

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

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

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

1. Mobile Device Management.
2. Android POS Application development.
3. Mobile Application for Retail billing solutions
4. Design & Development of Printers and Retail Billing Solutions.
5. Product Engineering Services for Application specific printers and electromechanical systems, Wi-Fi, Ethernet, GSM/GPRS for remote management of billing devices.
6. Design & Development of ASIC/FPGA/SOC based systems, design compliance for EMI-EMC, ROHS & Energy Star.
7. Cloud design patterns for asynchronous messaging, availability, resiliency and data consistency.
8. Database design patterns Elastic pools, Partitioning and Data warehouse for large data processing.
9. Security Design for Application, Network, Storage, Compute and identity.
10. Cloud Infrastructure Monitoring and Automation.

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

1. POS product release with UPI, Wallets and Card payment modes.
2. Retail Central Server and Client product solutions for multiple location chain shops.

3. Retail and F&B software release for Android OS
4. Retail product variants design and development based on thermal and impact platform.
5. Retail Solutions for Application specific requirements like Dairy society, Pharmacy and F&B.
6. API gateway platform release for enterprise application integration.
7. Digital Platform release for GST Tax Compliance, Ewaybill and Document Management Solutions.
8. Infrastructure Monitoring and Automation integration for dynamic scaling and security.

**c. Future Plan of action:**

1. Mobile device management platform applications.
2. Enterprise and mobile application for connected devices.
3. Expansion of Retail Products range and solutions with augmentation of features.
4. Retail Solutions for Billing machine and Smartphone connectivity.
5. Retail Smart solutions for service application model.

**2. Technology Absorption, Adaptation and Innovation**

i. Efforts in brief made towards technology absorption, adaptation and innovation technology demonstrations in the following areas were made towards absorption, adoption and innovation.

1. Thermal Printer technology absorption for retail applications.
2. Retail Product Solutions for F&B, Wholesale, Pharmacy and Dairy Societies
3. Embedded system optimization for easy configurability and usability of retail products.
4. Adoption of variability and tolerance analysis for high precision parts design.
5. Ethernet, GSM/GPRS Communication for remote management of printers.
6. Applications for Connected device
7. Payment Solutions integration.
8. API Gateway Platform.

ii. Benefit derived as a result of above efforts.

Inspired by trends and the consumers' latent desires, we are proactively re-fashioning our R&D outlook to deliver consumer sensitivity in our product design and development. We have a dedicated Research & development team focusing on Document Management, Invoicing and Payment solutions, Retail product solutions and Application Specific Printers. R&D team is equipped to meet the challenging demands, dynamic change requirements for developing customer centric technical solutions.

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

**3. Foreign Exchange Earnings and Outgo:** The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflow:

Rs. In lakhs		
Particulars	Year ended 31 <sup>st</sup> March 2023	Year ended 31 <sup>st</sup> March 2022
Foreign Exchange Earnings	970.18	127.68
Foreign Exchange Outgo	4,706.44	6,625.37

## ANNEXURE II

### SECRETARIAL AUDIT REPORT

Form No. MR-3

For the financial year ended 31<sup>st</sup> March 2023

**[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,  
WeP Solutions Limited  
40/1A, Basappa Complex  
Lavelle Road  
Bengaluru**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate practices by **WeP Solutions Limited (CIN L72200KA1995PLC025617)** (herein after referred to as "Company") for the period from 1<sup>st</sup> April 2022 to 31<sup>st</sup> March 2023. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the documents provided by the company and also the information provided by the Company and its officers during the conduct of secretarial audit, I hereby report that, in my opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2023 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 documents and other records as provided by the Company for the financial year ended on 31<sup>st</sup> March 2023 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 ('SCRA') 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 Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) as amended up to the date of audit:
  - a. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993; regarding the Companies Act and dealing with client;
  - b. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
  - c. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
  - d. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - e. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
  - f. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - g. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - h. The Securities and Exchange Board of India (Issue of Capital and Disclosures Requirements) Regulations, 2018; and
  - i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
6. The Company has identified the following laws as applicable to them:
  - a. Employees Provident Fund and Miscellaneous Provisions Act, 1952
  - b. Employees State Insurance Act, 1948
  - c. Environment Protection Act, 1986 and other applicable environmental laws
  - d. Indian Contract Act, 1872
  - e. Income Tax Act, 1961 and other related laws
  - f. Payment of Bonus Act, 1965

- g. Payment of Gratuity Act, 1972 and such other applicable labour laws.
- h. The Information Technology Act, 2000
- i. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
- j. The Central Goods and Service Tax Act, 2017, IGST and relevant State GST Acts

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India to the extent applicable as on the date of my audit.

The company has listed its securities with Bombay Stock Exchange (BSE) and the shares of the company are traded regularly.

During the period under the review the Company has largely complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above. I further report that:

- i. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.
- ii. Adequate notice is given to all directors to schedule the Board and other Committee meetings. Agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- iii. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
- iv. There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- v. During the audit period the company has no major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013, having major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.
- vi. During the audit period there were no Public / debentures / sweat equity by the Company.
- vii. During the period under review, the approval of the NCLT, Bengaluru Bench for merger of WeP Digital Services Limited with the Company was given effect to. The merger was effective from 1st April 2021.
- viii. During the period under review, Company has allotted 1,40,500 equity shares through various ESOP Schemes to its employees and Directors.
- ix. During the audit period, there were no instances of:
  - a. Redemption buy back of securities
  - b. Foreign technical collaborations.

This report has to be read with our letter of even date which is annexed as Annexure-A, and forms an integral part of this report.

**For S KANNAN AND ASSOCIATES**

**Place: Bengaluru**  
**Date: 12th August 2023**

**S Kannan**  
**Company Secretary**  
**FCS No. 6261 / C P No.: 13016**  
**UDIN No. F006261E000794576**

**ANNEXURE TO SECRETARIAL AUDIT REPORT ISSUED BY  
COMPANY SECRETARY IN PRACTICE**

**Annexure A**

To,

**The Members,  
WeP Solutions Limited  
40/1A, Basappa Complex  
Lavelle Road  
Bengaluru**

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

- a. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- b. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- c. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- d. The compliance of the provisions of Corporate and other applicable laws, Rules, Regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- e. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
- f. We further report that, based on the information provided by the Company its officers, authorised representatives during the conduct of the audit, in our opinion adequate systems and process and control mechanism exist in the Company to monitor compliance with applicable general laws like Labour laws & Environment laws and Data protection policy.
- g. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

**For S KANNAN AND ASSOCIATES**

**Place: Bengaluru  
Date: 12th August 2023**

**S Kannan  
Company Secretary  
FCS No. 6261 / C P No.: 13016  
UDIN No. F006261E000794576**

## ANNEXURE III

### FORM AOC – 2

(Pursuant to clause (h) of Section 134(3) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014

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

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

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

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

(Rs. in Lakhs)

1	Name(s) of the related party	WeP Peripherals Limited	Cimplifyfive Corporate Secretarial Services Pvt. Ltd	Elnova Private Limited
2	Nature of Relationship	Promoter Company	Company in which Director is interested	Associate of Promoter Company
3	Nature of contract/arrangements/transactions	Rent for Building, Brand Fee and Interest paid	Software Subscription	Rent for immovable property
4	Duration of the contracts/arrangements/transactions	One Year	One Year	One Year
5	Salient terms of the contracts/arrangement/transactions including the value, if any	Rent for building Rs. 63.56/- Brand Fees – Rs. 1.00/- Interest Paid – Rs. 0.41/-	Software Subscription – Rs. 2.10/-	Rent for immovable property - Rs. 6.55/-
6	Justification for entering into such contracts or arrangements or transactions	-	-	-
7	Date of approval by the Board, if any	13 <sup>th</sup> May 2022 5 <sup>th</sup> November 2022	13 <sup>th</sup> May 2022	29 <sup>th</sup> July 2022
8	Amount paid as advances, if any	-	-	-

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

For and on behalf of the Board of Directors

Ram N Agrawal  
Chairman and Non-Executive Director

Place: Bengaluru  
Date: 12<sup>th</sup> August 2023

## ANNEXURE IV

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

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

**a. The ratio of the remuneration of each Director to the median remuneration of the employees of the company for the Financial Year 2022-23:**

Name of Director	Title	Ratio of Median Remuneration
Ram N Agrawal <sup>§</sup>	Chairman & Non-Executive Director	2.38
Sandeep Kumar Goyal	CFO and Whole Time Director	15.81
Ashok Tripathy*	CEO and Managing Director	14.42
H V Gowthama	Independent Director	0.36
Shankar Jaganathan	Independent Director	0.51
G H Visweswara	Independent Director	0.51
Vandana Malaiya	Independent Director	0.43
Shruti Agarwal	Independent Director	NIL
Dr. A L Rao	Non – Executive Director	0.36

Note: <sup>§</sup> Cessation as Managing Director w.e.f 3<sup>rd</sup> June, 2022 | \*Appointed as CEO and Managing Director on 3<sup>rd</sup> June 2022

**b. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any in the Financial Year 2022-23:**

Name of Director	Title	% Increase in Remuneration
Ram Narayan Agrawal <sup>§</sup>	Chairman and Non-Executive Director	Nil
Sandeep Kumar Goyal	CFO and Whole Time Director	9.6%
Ashok Tripathy*	CEO and Managing Director	Not Applicable
H V Gowthama	Independent Director	Not Applicable
Shankar Jaganathan	Independent Director	Not Applicable
G H Visweswara	Independent Director	Not Applicable
Dr. A L Rao	Non – Executive Director	Not Applicable
Vandana Malaiya	Independent Director	Not Applicable
Shruti Agarwal	Independent Director	Not Applicable
Sujata Pratik Shaha **	Company Secretary	5.0%
Yashika Pardasani &	Company Secretary	Not Applicable

Note: <sup>§</sup> Cessation as Managing Director w.e.f 3<sup>rd</sup> June, 2022 and appointed as Non-Executive Director | \*Appointment as CEO and Managing Director on 3<sup>rd</sup> June 2022| \*\* cessation w.e.f 1<sup>st</sup> March 2023 | & Appointment w.e.f 1<sup>st</sup> March, 2023

- c. The percentage increase in the median remuneration of employees in the Financial Year 2022-23:** There is no increase in Median remuneration during the year.
- d. The number of permanent employees on the rolls of company in the Financial Year 2022-23:** 109.
- e. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**  
The average increase in Salaries of employees other than Managerial Personnel in 2022-23 was 6.3%. During the year the company appointed new Managing Director & CEO due to which the figures of previous year are not comparable with current year. Individual increase in remuneration of managerial executives are given in the table above.
- f. The key parameters for any variable component of remuneration availed by the Director:**  
The remuneration paid to the Chairman and Non-Executive Director is based on a percentage share of profit made by the company. The remuneration payable to Managing Director & Whole Time Director includes fixed remuneration, share of profit made by the company and variable remuneration based on the revenue and profit achievement against plan of the company.
- g. Affirmation that the remuneration is as per the remuneration policy of the Company:**  
The Company affirms remuneration is as per the remuneration policy of the Company.

## Management Discussion and Analysis

*Investors are cautioned that this discussion contains statements that involve risks and uncertainties. Statements in this report on Management discussion and analysis relating to the Company's objectives, projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable security laws or regulations. These statements are based upon certain assumptions and expectations of future events. Actual results could however differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and domestic demand supply conditions, selling prices, raw material costs and availability, changes in government regulations and tax structure, general economic developments in India and abroad, factors such as litigation, industrial relations and other unforeseen events. The Company assumes no responsibility in respect of forward-looking statements made herein which may undergo changes in future on the basis of subsequent developments, information or events.*

### 1. Overview & Outlook

#### Global Scenario

Financial Year 2022-23 (FY23) was a see-saw year. While on one side the threat of COVID-19 pandemic receded, on the other side the global inflation woes started the threat of slowdown across geographies. With central banks raising interest rates, prices have started to cool down, resulting in stabilization of Inflation. This gives hope of marginal improvement in sentiments in the near short term.

The geo-political instability immediately after the pandemic has hurt the global recovery. The global economy is expected to grow at 2.8% in 2023, a fall from 3.4% growth in 2022. The slowdown is more pronounced in the advanced economies as they battle with high inflation and a increased threat of their economy entering into recession. The only bright spots are the emerging markets and developing economies. While there is a hope of slow-recovery in the later half of the year, the situation is quite fragile.

#### Indian Economy

Indian economy on the contrary has been on a upswing. The Q4 GDP data was surprising but not unexpected. The GDP growth in FY 2022-23 was at 7.2% in a year marred by high inflation and when almost all the advanced economies were facing a threat of recession.

Economists and analysts have been bullish about the Indian economy. Though the growth forecasts of FY 2023-24 are lower than that of FY 2022-23, the resilience shown by the economy in the current scenario is highly positive. India is expected to grow between 6% to 6.3% in the FY 2023-24. If the global uncertainties recede, this is estimated to even surpass 7%. The overall growth in the Indian economy is expected to be broad based with all sectors doing reasonably well. In fact, the manufacturing sector, whose growth has been modest in recent times, is showing very positive signs of expanding significantly.

However, worry regarding inflation persists. Core prices have not moderated yet. The risk of El Niño and a below-normal monsoon can bring back the pressure on food prices. Inflation is expected to remain in the upper range of the RBI's inflation target band. The next few quarters will be very crucial for Indian economy as they will define the long term trajectory of India's growth story.

### 2. Business & Industry Overview

WeP is an Enterprise Services provider coupled with strong manufacturing capability of retail products and solutions. It has a strong Enterprise customer base, ranging from the MSME sector to the very large enterprise groups in the country. It also has a strong channel network for its products and services. As part of its Enterprise Services it provides Digital Services and Managed Printing Services to its customers. It also has a portfolio of Ricoh products and solutions for enterprise customers.

#### Enterprise Business Solutions

WeP has a strong portfolio of Enterprise business solutions. These solutions are designed to improve workplace productivity of the enterprises. WeP's managed printing solutions and digital services portfolio aim

at enhancing efficiency and productivity with measurable savings. WeP MPS helps enterprises to optimize their print infrastructure and with the latest technological tools also help them to reduce wastage thereby reducing printing. It provides them with solutions which help organizations to print securely and facilitate monitoring of costs. WeP digital is focused on providing enterprise customers with a whole set of services which can provide efficiency in every aspect of their operations. It is working with customers to digitize their every internal and external process. The space provides enough scope for an Digital Services provider right from the digitization of records, record management, Process workflow automation, integration of processes, payment solutions, compliance management solution, tax filing etc.

### **Partners business**

One of the backbone of WeP's business is the strength of its Partner network across India. The Retail billing Solutions and the Ricoh products and Solutions are sold across India through this network of dedicated partners. WeP has been working hard for bringing a digital transformation in traditional retail business i.e. the local kirana and general store, small restaurants, bakery etc. This "unorganized" retail network is the bloodline of the Indian Retail. WeP's endeavor has been to become a partner of these unorganized players by digitizing their supply chain, billing, payments through its retail products and services. In addition to the retail products, WeP is also a distributor for Ricoh Products and Solutions in India. Ricoh is a global enterprise with USD 18 Billion in revenues and has a strong customer base in India.

## **3. Financial Performance**

### **Revenue**

Your company has two revenue streams; Enterprise Business and the Partners business.

The Enterprise business revenue improved to Rs.443Mn in FY 23 as against Rs. 402Mn in FY 22, a growth of 10.2%. This primarily comprises of the managed printing services and the digital services. The company improved its revenues on the back of acquiring new customers and growth of its existing customers.

Revenue in the Partners business dipped from Rs.706mn in FY 22 to Rs.479Mn in FY 23. The Partners business has Retail Billing Solutions and Ricoh Products. During the year, the company continued supplies to a major dealer of Ricoh products in India on bulk basis with very low margin. However, the sales to this dealer reduced from Rs.525Mn to Rs.277Mn. This resulted in a drop in overall revenues. Sales to this dealer has stopped from April 2023. The revenue from the other products and customers improved from Rs.181Mn to Rs.202Mn which is a positive sign.

### **Operating Profit**

The company continued its trend of consistent profitability during the year. The Earnings before Interest, Depreciation and Tax (EBITDA) of the company improved to Rs.149Mn in FY 23 as against Rs.138Mn in FY 22. The EBIT also significantly improved from Rs.47.2Mn to Rs. 55.2Mn for the financial year ended March 2023. Improvement in the margins for Enterprise business coupled with significant cost control measures helped the company improve its profitability. The overall improvement in operational efficiency helped the company to significantly improve its profitability during the year.

### **Net Working Capital**

The operations of the company, particularly in the enterprise services business are working capital intensive as it has to maintain supplies of spare parts and consumables across India for meeting customer service commitments. Further, since the customers are usually large corporates, public sector banks etc, there are receivables for the products supplied and services rendered. The company has also expanded its sale of Ricoh products in FY 23. The overall working capital cycle increased to 111 days in FY 22 from 58 days in FY 22. The receivables days increased from 44 days to 63 days and the creditors days improved from 50 days in FY 22 to 43 days in FY 23. The inventory days also increased from 65 days to 90 days during the year. One of

the main reasons for the increase in the cycle is due to increase in the inventory of Ricoh products where the working capital deployment is comparatively higher. The company's Operating cash flow decreased marginally from Rs.116Mn in FY 22 to Rs. 100Mn in FY 23.

	FY 2022-23	FY 2021-22
Debtors Turnover Ratio	6.30	8.42
Inventory Turnover Ratio (on Cost of goods sold)	4.10	5.49
Interest Coverage Ratio	7.30	5.21
Current Ratio	2.07	1.97
Debt Equity Ratio	0.06	0.10
Operating Margin Ratio	6.0%	4.3%
Net Profit Margin Ratio	6.3%	2.3%
Return on Net Worth	10.1%	4.9%

#### Notes

a) Interest Coverage ratio has improved during the year due to reduced interest outgo coupled with better profit.

b) The profitability ratios have improved significantly due to better profits during the year.

c) The Current Ratio improved on account of higher inventory, lower payables and continued positive operating cash flows for the year.

#### 4. Internal Control Systems and their adequacy.

The Company has in place adequate internal control systems commensurate with its size and nature of its operations. The IFC framework devised by the company have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, safeguarding Company's assets, promoting operational efficiencies and ensuring compliance with various statutory provisions.

During the year the company has appointed M/s JAA Associates, Chartered Accountants to oversee and carry out the internal audit of its activities. The Audit Committee reviews the adequacy of internal control systems, audit findings and suggestions. The Company's statutory auditors regularly interact with the Audit Committee to share their findings and the status of further improvement actions under implementation.

#### 5. Human resource development / Industrial relations

WeP's people centric focus providing an open work environment and fostering continuous learning, improvement and development helped its employees to facilitate delivery of excellence for its customers. WeP believes that success of any company lies in making the customers happy and satisfied. The human resources strategy enabled the company to attract, integrate, develop and retain the best talent required for driving the business growth. The company has created a Performance driven environment with all employees having identified goals and objectives directly aligned with the business results. Talent Transformation and Leadership development have been the key focus areas over the last few years. Company believes in nurturing internal talent to leadership positions and provides an environment of adequate training, cross functional team assignments to aid them.

#### SWOT ANALYSIS

We appreciate the market realities, stiff competition faced by your company mostly from the unorganized and local service providers. And your Board acknowledges the following major **SWOT** analysis more specific to your company.

##### Strengths:

1. Large base on Enterprise Customers using the Managed Printing Solutions and Digital services.
2. Direct relationship with major OEM like Ricoh, a global enterprise, that can add to its MPS and Digital services and solutions offerings.

3. Comprehensive Digital Services Provider with variety of Digital Solutions like GST Services, Document Management Solutions etc
4. Ability to develop customized printing and billing solutions for various applications both on device and non-device based platforms.
5. Scalable infrastructure with pan India presence, wide geographical reach and strong operational expertise.
6. Long standing relationships with Customers and Technology partners.

#### **Weaknesses:**

1. Dependency on products manufactured by other OEM's for providing solutions in enterprise business.
2. Dependency on product owners in case of few digital solutions provided by the company.
3. Inability to retain key resources and attract talent due to lack of substantial revenue growth.

#### **Opportunities**

1. Established customers and market for Ricoh products and solutions in India.
2. Uniquely positioned to provide one stop source of Digital Services.
3. Changes in regulatory and economic environment fuelling the need for printing and document management solutions.
4. Increasing number of customers looking for expert partners to manage their non-core needs vis a vis their core business.
5. Leveraging the expertise/relationships in MPS business to expand into managed IT infrastructure.

#### **Threats**

1. Inability to attract talent in across functions due to ever increasing costs of high quality resources.
2. Significant revenues of the company are from the Banking, Financial Service and Insurance(BFSI) Segments. Any direct or indirect impact on the BFSI industry can impact the revenues of the company.
3. As the company is largely dependent on imports for its supply of printers, consumables and spares, rupee depreciation impacts the margin of the company significantly.

#### **Risk Management Process**

The company has an established sound risk management process which is overseen by the Audit Committee of the Board through a structured framework. Strategic, Operational and Business risks are identified and appropriate mitigating action plans are put in place by the company. They are reviewed periodically.

The following risks are identified as key risks by the company. The mitigating steps taken to counter them are also outlined below.

#### **Revenue Concentration**

The company has concentration of revenue coming in from industry segments like Banking, Financial services and Insurance. Further, a few customers also contribute to a fair share of the revenue for the company. Such concentration exposes the company to a risk inherent in that segment or for a particular customer.

#### **Mitigants**

We have adopted prudent norms based on which we monitor and prevent undesirable concentration in geography, industry or customer. The quest for diversified activities within the existing realm of overall management after due consideration of the advantages and disadvantages of each activity in consistent with company policy of increasing business volumes with minimum exposure to undue risks. Concentration of revenue from any particular segment of the industry is sought to be minimized over the long term by careful extension into other activities, particularly in areas the company has some basic advantage such as availability of land, technical or manpower resources.

### **Inventory Obsolescence Risk**

The company needs to maintain printers for a period of more than 48 months. These models are constantly upgraded by the principal suppliers. However the company needs to maintain adequate stocks of spares and toners at all its customer locations in order to meet the customer requirements. These spares may or may not be used. This leads to a risk of us maintaining obsolete stocks. At times we are required to maintain inventory for demo equipments, replacement for repairs and normal distribution stocks. Your company faces the risk of obsolescence in the event of not being able to sell or deploy the above stocks.

#### **Mitigants:**

Your company is conscious of these risks and tracks and monitors its inventory at regular intervals to minimize obsolescence. Your company continuously monitors the stock levels of such items and ensures they are within the reasonable limits. Further, the company has an established policy framework to identify slow and non-moving stocks at an early stage.

### **Industry Risk**

Your company is facing stiff competition from other players who are both organized large brand owners and unorganized local players. This competition forces the company to cut down its margins and reduce price for its products and services for both the existing customers and new potential customers.

#### **Mitigants:**

Your company has put in a focused approach towards monitoring all such competitive activities. Your company reviews its customer relationship strategy periodically and keeps providing innovative and new solutions. Your company is also focusing on moving up the value chain at the customer by providing Digital Solutions and Managed IT infrastructure services. Your company believes in providing value to the customers and has put in a dedicated team to manage the existing and new customers.

### **Foreign Exchange Risks:**

A good amount of import of stock is done in order to meet the consumables, spares and printer requirement. The time involved from the date of order, receipt of the stock from the vendor, supply to the customer has remained in the range of 30 to 45 days. Further, the credit period from the vendor is an average period of 45 to 60 days. This time lag is potential enough to affect the profitability of company due to fluctuation in the currency exchange rate particularly in the current scenario of high global inflation trends.

#### **Mitigants:**

Company has a defined policy for managing its foreign exchange exposure. The management reviews the hedging policy on a quarterly basis and takes appropriate decision from time to time in order to minimize the impact of such volatility.

### **System Risks**

These risks relate broadly to System capability, System reliability, Data integrity risks, coordinating and interfacing risks.

#### **Mitigants:**

IT department maintains repairs and upgrades the systems on a continuous basis with personnel who are trained in software and hardware. Password protection is provided at different levels to ensure data integrity. Licensed software is being used in the systems. The Company ensures "Data Security", by having access control / restrictions.

## Report On Corporate Governance

(Pursuant to Regulation 27(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

### Company's Philosophy on Corporate Governance

The Company believes that ensuring and implementing good Corporate Governance across the organization leads to a strong foundation on which successful businesses are built to last. The Company's philosophy on Corporate Governance is beyond business planning and commercials, it is about ensuring accountability, transparency, ethical behavior, awareness, and equity in all respect of its operations also.

Your company is fully aware of its responsibilities towards its stakeholders and the benefits of being a good corporate citizen. We have established systems and procedures to ensure that its Board of Directors are well informed and well equipped to discharge its overall responsibilities and to provide the management with the strategic direction catering to exigency of long-term shareholders value. As our Company is a listed entity, we are in compliance with the applicable provisions of the Listing Regulations, as amended, pertaining to Corporate Governance.

A report on Compliance with the principles of Corporate Governance as prescribed by SEBI in Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as mentioned below:

### Board of Directors

Over a period of time, the Board has fostered a culture of leadership to sustain your Company's growth with a long term vision and ingenious policy to improve the degree of Corporate Governance. A strong Corporate Governance is the key to business sustainability. The Board, inter alia, focuses on strategic planning, risk management, compliance, corporate governance to maintain high standards of ethical conduct and integrity and succession planning for the Directors.

### Composition of the Board as on 31<sup>st</sup> March 2023

As on 31<sup>st</sup> March, 2023 the Board consists of Nine Directors. The Board comprises of five Independent Directors including two Woman Independent Directors, two Non-Executive Director, Managing Director and one executive whole time director. The composition of the Board as on 31<sup>st</sup> March 2023 is in conformity with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended as well as the Companies Act, 2013 read with the Rules issued thereunder. This appropriate composition of the Board of Directors enables in maintaining the Independence of the Board and separates its functions of governance and management. Detailed profile of each Director is available on the website of the Company at [www.wepdigital.com](http://www.wepdigital.com) in the 'Investors' section.

### Composition of the Committees as on 31<sup>st</sup> March 2023

The Board has constituted various committees with an optimum representation of its members and has assigned them specific terms of reference in accordance with the Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended. These committees hold meetings at such frequency as is deemed necessary by them to effectively undertake and deliver upon the responsibilities and tasks assigned to them.

As on 31<sup>st</sup> March 2023, the Company has three Board Level Committees viz., Audit Committee, Nomination and Compensation Committee and Shareholders/Investors' Grievance cum Share Transfer Committee.

The Board along with its committees provides leadership and guidance to the Company's Management and directs, supervises, and controls the performance of the Company.

## Number of Meetings

### a. Board Meeting:

During the Financial Year 2022-23, Seven Meetings of the Board of Directors were held on 11<sup>th</sup> April 2022, 13<sup>th</sup> May 2022, 3<sup>rd</sup> June 2022, 29<sup>th</sup> July, 2022, 16<sup>th</sup> September, 2022, 5<sup>th</sup> November, 2022 and 7<sup>th</sup> February 2023 and the maximum gap between two meetings did not exceed four months as stipulated in Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended. The Board meets at least once in a quarter to review the quarterly financial results and other items on the agenda. Additional meetings are held to address specific needs of the Company. In case of any exigency/emergency, resolutions are passed by circulation. The agenda papers along with notes and other supporting(s) were circulated in advance of the Board Meeting with sufficient information.

### b. Annual General Meeting:

The last Annual General Meeting (AGM) of the Company was held on 1<sup>st</sup> September 2022, through Video Conference ("VC") / Other Audio-Visual Means ("OAVM"). Nine Directors including the Chairman of the Audit Committee and Statutory Auditors attended the 27<sup>th</sup> Annual General Meeting held on 1<sup>st</sup> September 2022.

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

As mandated by Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, none of the Director is a member of more than ten Board level committees or Chairman of more than five committees across all companies in which he is a Director. Composition of the Board of Directors of the Company and other Directorship(s)/Committee Membership(s)/Chairmanship(s) as on 31<sup>st</sup> March 2023 and number of meetings held during their tenure and attended by them is as mentioned below:

**The attendance of Directors at the Board Meetings held during the year ended March 31, 2023 and at the last Annual General Meeting and the Directorship, Chairmanship and Membership in Committees of the Directors in other companies as on March 31, 2023:**

Name of the Director	Category	No of Board Meetings during the year 2022-23		Whether attend the last AGM	Number of other Directorship and Committee Membership/Chairmanship		
		Held	Attended		Committee Membership	Committee Chairmanship	Other Directorships
Ram N Agrawal*	Chairman	6	6	Yes	2	0	5
Sandeep Kumar Goyal	CFO and Whole Time Director	7	7	Yes	1	0	2
H V Gowthama	Independent Director	7	6	Yes	0	0	0
Shankar Jaganathan	Independent Director	7	7	Yes	0	0	2
Ashok Tripathy**	Managing Director and CEO	4	4	Yes	-	-	-
G H Visweswara	Independent Director	7	7	Yes	-	-	-
Vandana Malaiya	Independent Director	7	7	Yes	-	-	-
Shruti Agarwal	Independent Director	7	7	Yes	-	-	-
Dr. A L Rao	Independent Director	7	7	Yes	-	1	9

Note : \*Mr. Ram N Agrawal ceased to be the Director on 1<sup>st</sup> September 2022 and got reappointed on 28<sup>th</sup> October, 2022 through Postal Ballot

\*\*Appointed on 3<sup>rd</sup> June 2022

Every Director has personally attended at least one Board / Committee of Directors' Meeting in the Financial Year 2022-23.

Certificates have also been obtained from the Independent Directors confirming their position as Independent Directors on the Board of the Company in accordance with Section 149 of the Companies Act, 2013 read with Regulations 16(1)(b) and 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

### **Board Procedures**

The dates for meetings of the Board of Directors and its Committees are scheduled in advance. Board Members are given agenda papers along with necessary documents and information in advance of each meeting of the Board and Committee(s). However in exigencies or urgencies, few resolutions are passed by way of circulation. The Board periodically reviews the compliance report with respect to laws and regulations applicable to the Company. The recommendations of the Committees are placed before the Board for necessary approvals. The information as enumerated in Regulation 17 and Part A of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended is made available to the Board of Directors for discussion and consideration.

### **Evaluation of the Board Effectiveness**

In terms of applicable provisions of the Companies Act 2013 read with rules framed thereunder and Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and on the recommendations of the Nomination and Compensation Committee, the Board of Directors have put in place a process to formally evaluate the effectiveness of the Board, its Committees along with the performance evaluation of each Director to be carried out on an annual basis. Accordingly, the Annual Performance Evaluation of the Board, its Committee and each Director was carried out for the Financial Year 2022-23.

### **Selection/Appointment of Directors**

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

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

### **Independent Directors**

The Company has on its Board, Independent Directors who have brought in independent judgment to Board's deliberations including issues of strategy, risk management and overall governance. They have played a pivotal role in safeguarding the interests of all stakeholders. Every Independent Director, at the first meeting of the Board in which he/she participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he/she meets the criteria of independence as provided in Companies Act 2013, Schedule V and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended.

### **Tenure of Independent Director**

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

### **Formal Letter of appointment to Independent Directors**

In line with requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended, the Company has issued formal letters of appointment to all the Independent Directors. A sample letter of appointment is available on the website [www.wepdigital.com](http://www.wepdigital.com)

### **Performance evaluation of Independent Directors**

Pursuant to the provisions of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended, performance evaluation has been done of the Board, its Committees and individual Board members, including Independent Directors excluding the Director being evaluated. On the basis of the performance evaluation done by the Board, it shall be determined whether to extend or continue their term of appointment, whenever their respective term expires.

### **Separate Meeting of the Independent Directors**

The Independent Directors of the Company met separately without the presence of Non-Independent Directors and the members of management. The meeting was conducted to enable the Independent Directors to discuss matters pertaining to the Company's affairs and put forth their combined views to the Board of Directors of the Company.

In accordance with Regulation 25(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended, following matters were, inter-alia, discussed in the meeting:

- a) Performance Evaluation of Non-Independent Directors and Board as a whole against a set of pre-defined norms.
- b) Performance Evaluation of the Chairperson of the Company against the objectives set at the beginning of the year.
- c) Assessment of the quality, quantity and timeliness of flow of information between the Company's Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

### **Familiarization Programme for the Independent Directors**

Pursuant to Regulation 25(7) and Regulation 46(2) (i) of Chapter IV of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 as amended, the Company conducts the 'Familiarization Program' when a new Independent Director joins the Board of the Company.

The Company conducts 'Familiarization Programme' for the Independent Directors to provide them an opportunity to familiarize with the Company, its management and its operations so as to gain a clear understanding of their roles and responsibilities and contribute significantly towards the growth of the Company. They have full opportunity to interact with Senior Management Personnel and are provided all the documents required and sought by them for enabling them to have a good understanding of the Company, its various operations and the industry of which it is a part. The details and duration of the 'Familiarization Program' have also been uploaded on the website of the Company at [www.wepdigital.com](http://www.wepdigital.com)

### **List of core skills/expertise/ competencies of the Board of Directors in context of business:**

The Company has a combination of Directors in its Board from diverse fields who bring in required skills competence and expertise that are required for an effective contribution to the business. As per the SEBI Listing Regulations, the skills, expertise and competencies of the Board of Directors are given below:

Name of Directors	Strategic Insights	Understanding of Sector & business	Sales and Marketing	Human Resource	Information Technology	Finance & Accounting Governance and Regulatory Compliance
Mr. Ram Narayan Agrawal	✓	✓	✓	✓		✓
Mr. Ashok Tripathy	✓	✓	✓	✓	✓	
Mr. Sandeep Kumar Goyal	✓	✓				✓
Mr. H .V. Gowthama	✓					✓
Mr. G. H. Visweswara	✓	✓			✓	
Mr. Shankar Jaganathan	✓	✓			✓	✓
Mr. Ayyagari Lakshmanarao	✓	✓	✓	✓	✓	
Mrs. Vandana Malaiya	✓	✓		✓	✓	
Mrs. Shruti Agarwal						✓

**Note:** These skills/competencies are broad-based, encompassing several areas of expertise/experience as shown in the table above. Each Director may possess varied combinations of skills/experience within the described set of parameters

### Committees of the Board

As on 31<sup>st</sup> March 2023, the Company has three Board Level Committees:

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

The Board is responsible for constituting, assigning, co-opting and fixing the terms of reference for members of various committees. To align with the requirements prescribed for such Board Committees under the provisions of Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, the Board of Directors amended the terms of references; wherever required of the Audit Committee, Nomination and Compensation Committee, and Shareholders /Investors' Grievance cum Share Transfer Committee.

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

The Board committees are set up to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. Minutes of proceedings of committee meetings are circulated to the directors and placed before Board meetings for noting. The Board has currently established the following Committees:

#### A. Audit Committee:

The role of the Audit Committee is governed by its Charter and its composition is in Compliance with the provisions of Section 177 of the Companies Act 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

#### Composition of the Committee

As on 31<sup>st</sup> March 2023, the Audit Committee comprises of Four Directors. Chairman of the Audit Committee is an Independent Director. During the Financial Year 2022-23, the Audit Committee meetings were held on 13<sup>th</sup> May 2022, 29<sup>th</sup> July 2022, 5<sup>th</sup> November 2022 and 7<sup>th</sup> February 2023. The gap between any two meetings did not exceed four months. The Composition of the Audit Committee of the Board of Directors of the Company along with the details of the meetings held and attended by the members of the Committee during the Financial Year 2022-23 is as mentioned below:

Name of the Member	Category	No. of Meetings	
		Held	Attended
H V Gowthama – Chairperson	Independent Director	4	4
Shankar Jaganathan – Member	Independent Director	4	4
G H Visweswara – Member	Independent Director	4	4
Shruti Agarwal	Independent Director	4	4

Members of Audit Committee possess financial, accounting expertise and exposure. The Committee invites the CFO, Company Secretary, Statutory Auditor and the Internal Auditor to attend the meetings of the Committee. The Chairman of the Audit Committee was present at the 27<sup>th</sup> Annual General Meeting (AGM) held on 1<sup>st</sup> September 2022 to answer shareholders queries.

### Powers of Audit Committee

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

The Audit Committee is empowered, pursuant to its terms of reference and its role, inter-alia includes the following:

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

12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding Rs.100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/ investments existing as on the date of coming into force of this provision; and carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. Mandatory review the following information:
  1. Management discussion and analysis of financial condition and results of operations;
  2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
  3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
  4. Internal audit reports relating to internal control weaknesses; and
  5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
22. Such other terms as may be prescribed under the Companies Act, 2013 or The SEBI (LODR) Regulations, 2015 as amended.

### **Nomination and Compensation Committee**

The role of the Nomination and Compensation Committee is governed by its Charter and its composition is in Compliance with the provisions of Section 178 of the Companies Act 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

### **Composition of the Committee**

As on 31st March 2023, Nomination and Compensation Committee comprises of Four Directors. During the Financial Year 2022-23, the Nomination and Compensation Committee meetings were held on 13th May 2022, 29th July 2022, 16th September, 2022, 5th November 2022 and 7th February, 2023. The Composition of the Nomination and Compensation Committee of the Board of Directors of the Company along with the details of the meetings held and attended by the members of the Committee during the Financial Year 2022-23 is as mentioned below:

Name of the Member	Category	No. of Meetings	
		Held	Attended
Shankar Jaganathan – Chairperson#	Independent Director	5	5
G H Visweswara – Member	Independent Director	5	5
Ram Narayan Agrawal – Member	Non-Executive Director	4	4
Vandana Malaiya - Member	Independent Director	5	5

Note: # Chairperson w.e.f 16<sup>th</sup> September 2022

The Nomination and Compensation Committee of the Company, inter – alia, evaluates, recommends to the Board and approves the Executive Directors compensation plans, policies and programmes of the Company. Nomination and Compensation Committee also has the responsibility for administering Employees Stock Option Plan (ESOP – 2011 and ESOP-2016) of the Company.

The Nomination and Compensation Committee is empowered with the following terms of reference and responsibilities in accordance with the provisions of law and the Nomination and Compensation Policy:

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

#### Compensation Policy:

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

- **Non Executive Directors (including Independent Directors)**

The remuneration paid to the chairman and non-executive director is based on a percentage share of profit made by the company. Non Executive Directors (including Independent Directors) receives compensation by way of sitting fees for attending meeting of Board or Committee thereof. Independent Directors are not entitled to stock option of the Company.

- **Executive Directors**

The remuneration payable to managing director and whole time director includes fixed remuneration, share of profit made by the company and variable remuneration based on the revenue and profit achievement against plan of the company in accordance with the provisions of Section 197 of the Companies Act 2013, as approved by the Board and within the overall limits prescribed by the Companies Act 2013.

### Compensation paid to Directors

During the Financial Year 2022-23 your Company has paid Rs. 10,20,000/- as Sitting Fees for attending the Board and Committee Meetings to the Non-Executive Directors of your Company.

#### a. Details of Compensation paid to Directors for the Financial Year 2022-23 are as under:

					Rs. In Lakhs
Name of the Director	Sitting Fees	Salary and Perquisites	Commission	Total	No of Equity shares held as on 31.03.2023
<b>Chairman and Non-Executive Director</b>					
Ram Narayan Agrawal	-	-	11.18	11.18	27,13,014
<b>Managing Director</b>					
Ashok Tripathy *	-	67.82	-	67.82	2,24,867
<b>Whole Time Director</b>					
Sandeep Kumar Goyal	-	74.38	-	74.38	1,84,028
<b>Independent Directors</b>					
H V Gowthama	1.70	-	-	1.70	-
Shankar Jaganathan	2.40	-	-	2.40	3,063
G H Visweswara	2.40	-	-	2.40	-
Vandana Malaiya	2.00	-	-	2.00	-
Shruti Agarwal	-	-	-	-	2,548
<b>Non – Executive Director</b>					
Dr. A L Rao	1.70	-	-	1.70	5,46,509

#### Notes:

1. None of the above directors is eligible for any severance pay. Mr. Ashok Tripathy and Mr. Sandeep Kumar Goyal hold stock option as on 31st March 2023.
2. The notice period for Directors is such period as is mutually agreed between Director and the Board.
3. During the Financial Year 2022-23, the Company did not advance any loan to any of its Directors.
4. \* Appointment w.e.f 3<sup>rd</sup> June, 2022

### Shareholders/Investors' Grievance cum Share Transfer Committee

The Composition of the Shareholders/Investors' Grievance cum Share Transfer Committee is in Compliance with the provisions of Section 178 of the Companies Act,2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

#### Terms of Reference

In accordance with the provisions of the Companies Act, 2013 and Listing Regulations, the terms of reference for the Shareholders/Investors' Grievance cum Share Transfer Committee of Directors are as under:

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
2. Review of measures taken for effective exercise of voting rights by shareholders;
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;

4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company;
5. Recommendation on allotment of ESOP shares on exercise of Options by the eligible Employees of the Company; and
6. Such other terms as may be required under the Companies Act, 2013 or Listing Regulations.

### Composition of the Committee

As on 31<sup>st</sup> March 2023, the Shareholders/Investors' Grievance cum Share Transfer Committee comprises of three Directors. The composition of the Shareholders/Investors' Grievance cum Share Transfer Committee of the Board of Directors of your Company is as mentioned below:

Name of the Member	Category	Status
Dr. A L Rao	Chairperson	Non-Executive Director
Shruti Agarwal	Member	Independent Director
Sandeep Kumar Goyal	Member	Executive Director and CFO

### Investor Grievance

Continuous efforts are being made to ensure that investor's grievances are expeditiously redressed to the satisfaction of the investors. The Company and Cameo Corporate Services Limited (Registrar and Share Transfer Agent) attend to all the grievances of the investors promptly on their receipt, whether received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs etc.

- a. **Details pertaining to the number of Complaints received and responded and the status thereof during the Financial Year 2022-23 are given below:**

Number of Investors Complaints pending at the beginning of the Financial Year i.e. 1 <sup>st</sup> April 2022	Number of Investors Complaint received during the year	Number of Complaints disposed off during the year	Number of Investors Complaints remaining unresolved at the end of the Financial Year i.e. 31 <sup>st</sup> March 2023
NIL	NIL	NIL	NIL

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

Nature of Query	Received during the Financial Year 2022-23	Disposed of during the Financial Year 2022-23	Pending as on 31 <sup>st</sup> March 2023
Non-Receipt of Annual Report	0	0	0
Non-Receipt of Dividend Warrant	0	0	0
Dematerialization/Rematerialization of shares	1	1	0
Others(Change in correspondence address, mailing id, contact details etc)	6	6	0

The Committee meets as and when required. The Company obtains Certificate from Share Transfer Agent on quarterly basis about the pending complaints against the company. As on 31<sup>st</sup> March 2023 there were no complaints pending against the company.

## Related Party Transactions

All transactions entered into by the Company with related parties as defined under the Companies Act, 2013 and the Listing Regulations, during the Financial Year 2022-23 were in the ordinary course of business and on arm's length pricing basis. There were no materially significant transactions with the related parties during the Financial Year which were in conflict with the interest of Company.

All Related Party Transactions are approved by the Audit Committee prior to the transaction. The Board of Directors of the Company has on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its related parties in compliance with applicable provisions of the Companies Act 2013, rules thereunder and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Necessary disclosures as required under the Accounting Standards have been made in the Financial Statements. The Board has approved a policy on materiality of related party transactions and on dealing with related party transactions and the same is disclosed on the website of the Company at the link [www.wepdigital.com](http://www.wepdigital.com)

### Materially significant Related Party Transaction:

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

### CEO & CFO Certification

In compliance with the Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, as amended the CEO & CFO Certification for the Financial Year 2022-23 was placed before the Board of Directors at their meeting held on 12<sup>th</sup> August, 2023. The Certificate on the financial statements and the cash flow statement for the year is placed at the end of Corporate Governance Report.

### Certificate from Company Secretary in Practice

The following certificates from S Kannan, Practicing Company Secretary, Bengaluru, are enclosed to this Report:

- (a) Compliance Certificate regarding compliance of conditions of Corporate Governance; and
- (b) Certificate that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI / Ministry of Corporate Affairs or any such statutory authority.

## Shareholder's Meeting

### General Body Meeting

The location, date and time of the Annual General Meeting held during the last three years and special resolutions passed therein are as mentioned below:

Financial Year	Category	Location/Mode of the meeting	Date	Time	Special Resolution
2021-22	Annual General Meeting	Host Venue: 40/1 A, Basappa Complex, Lavelle Road, Bengaluru - 560001 Video Conference ("VC") / Other Audio Visual Means ("OAVM")	1 <sup>st</sup> September 2022	3:00 PM	<ol style="list-style-type: none"> <li>To approve the payment of remuneration to Mr. Ashok Tripathy (DIN: 09564236) as the Managing Director and CEO of the Company</li> <li>Re-designation and continuation of Directorship of Mr. Ram N Agarwal (DIN: 00006399) as Chairman and Non Executive Director, Non-Independent Director of the Company</li> <li>Continuation of directorship of AL Rao (DIN: 02919040) as Non Executive Director in terms of Regulation 17(1A) of the SEBI (LODR) Regulations, 2015</li> </ol>
2020-21	Annual General Meeting	Host Venue: 40/1 A, Basappa Complex, Lavelle Road, Bengaluru - 560001 Video Conference ("VC") / Other Audio Visual Means ("OAVM")	20 <sup>th</sup> September 2021	3:00 PM	<ol style="list-style-type: none"> <li>Re-appointment of Ram N Agarwal (DIN: 00006399) as Chairman and Managing Director of the Company.</li> <li>Re-appointment of G H Visweswara (DIN 00662212) as an Independent Director</li> </ol>
2019-20	Annual General Meeting	Host Venue: 40/1 A, Basappa Complex, Lavelle Road, Bengaluru - 560001 Video Conference ("VC") / Other Audio Visual Means ("OAVM")	6 <sup>th</sup> November 2020	3:00 PM	<ol style="list-style-type: none"> <li>Re-appointment of Shankar Jaganathan (DIN: 02121024) as an Independent Director of the Company for a Second term of 5 consecutive years.</li> <li>Appointment of Sandeep Kumar Goyal (DIN:03023842) as Executive Director designated as Whole Time Director of the Company.</li> </ol>

The special resolutions in Annual General Meeting for the financial year 2021-22 were not passed with requisite majority. The resolutions were then passed through postal ballot.

The special resolutions set out in the Annual General Meeting for the financial year 2020-21 and 2019-20 were passed by the shareholders at their respective meetings with requisite majority.

### **Details of special resolution passed through postal ballot, the persons who conducted the postal ballot exercise, details of the voting pattern and procedure of postal ballot:**

The Company had sought the approval of the shareholders by way of a Special Resolution through notice of postal ballot dated September 16, 2022 which were duly passed and the results of which were announced on October 29, 2022. Vinay BL, Practising Company Secretaries, was appointed as the Scrutinizer to scrutinize the postal ballot process by voting through electronic means only (remote e-voting) in a fair and transparent manner. Details of the voting pattern are provided below:

Special Resolution	Votes in the Favour of Resolution		Votes against the Resolutions	
	No. of shares for which valid votes cast	% of votes to total number of valid votes cast	No. of shares for which valid votes cast	% of votes to total number of valid votes cast
Appointment of Mr. Ram N Agarwal (DIN 00006399) as Non-Executive, Non-Independent Director of the Company.	2,26,79,187	99.32	1,55,052	0.68
To approve the payment of remuneration to Mr. Ashok Tripathy (DIN: 09564236), as the Managing Director and Chief Executive Officer of the Company	2,24,26,153	99.31	1,55,052	0.69
Continuation of directorship of Dr. A L Rao (DIN: 02919040), as Non-Executive Director after attaining the age of 75 years in terms of Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015	2,26,77,182	99.31	1,57,057	0.69

#### Procedure for postal ballot:

The postal ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and read with the General Circular nos. 14/2020, 17/2020, 22/2020, 33/2020, 39/2020, 10/2021, 20/2021, 3/2022, 11/2022 dated April 8, 2020, April 13, 2020, June 15, 2020, September 28, 2020, December 31, 2020, June 23, 2021, December 8, 2021, May 5, 2022, December 28, 2022 respectively issued by the Ministry of Corporate Affairs.

Details of special resolution proposed to be conducted through postal ballot:

None of the businesses proposed to be transacted at the ensuing AGM requires passing of a special resolution through postal ballot.

#### Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company is committed to provide a protective environment at workplace for all its women employees. We recognize the rights of our employees and provide forums, support group and policies to hear and address their concerns, and resolve issues and conflicts in a fair and transparent manner. To ensure that every woman employee is treated with dignity and respect and as mandated under 'The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013' the Company has in place a formal policy for prevention of sexual harassment of its women employees. Our Prevention of Sexual Harassment Policy allows employees to report sexual harassment cases at the workplace. These cases are heard and resolved by an unbiased group. An Internal Committee looks into all the complaints of sexual harassment. The policy has also been uploaded on the website of the Company at [www.wepdigital.com](http://www.wepdigital.com).

Particulars	Status of Complaints
Number of complaints filed during the Financial Year 2022-23	0
Number of complaints disposed off during the Financial Year 2022-23	0
Number of complaints pending as at the end of the Financial Year 2022-23	0

### **Disclosures: IND-AS Applicability**

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 w.e.f. 1<sup>st</sup> April 2017. The Financial Statements as on 31<sup>st</sup> March 2023 have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

### **Whistle Blower Policy:**

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior including actual or suspected leak of unpublished price sensitive information. The Company has established a vigil mechanism for Directors and employees to report concern about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy and also actual or suspected leak of unpublished price sensitive information. The Whistle Blower Policy is placed on the website of the Company [www.wepdigital.com](http://www.wepdigital.com)

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

In Compliance with the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 and Companies Act, 2013 as amended, the Company has in place a comprehensive 'Internal Code for Prevention of Insider Trading' for the Company's Directors and designated employees. The Code lays down guidelines advising them on procedures to be followed and disclosures to be made while dealing / transacting in the securities of the Company.

### **Code of Conduct**

The Company has framed and adopted a Code of Conduct for the members of the Board and the Senior Management ("the Code") in terms of requirements of the Listing Regulations. The Code has been circulated to all the members of the Board and Senior Management and the same is also posted on the Company's website at [www.wepdigital.com](http://www.wepdigital.com). The Code lays the general principles designed to guide all Directors and members of the Senior Management for ethical conduct of business and compliance of laws. All Directors and Members of the Senior Management have affirmed their adherence to the provisions of the Code as on 31<sup>st</sup> March 2023.

### **Means of Communication with Shareholders:**

#### **Financial Results:**

The company's quarterly and annual financial results in the proforma prescribed by the stock exchanges are approved and taken on record by the Board within the prescribed time frame and sent forthwith to Bombay Stock Exchange on which the company's shares are listed. The quarterly results of the Company are published in the newspaper immediately on the approval by the Board and also uploaded on the Company's website [www.wepdigital.com](http://www.wepdigital.com). The financial results are published in "Business Standard" and "Hosa Digantha" in vernacular (Kannada) newspaper. The results are not sent to the shareholders individually. Information about the company in general, its financial results and other information including official press releases can be accessed at the company's website [www.wepdigital.com](http://www.wepdigital.com).

#### **Annual Report**

The Annual Report containing inter alia, Audited Financial Statements, Directors' Report, Auditor's Report and other important information is circulated to members and others entitled thereto. In terms of provisions of the Companies Act 2013 and SEBI Listing Regulations, service of documents on members by a company is allowed through electronic mode.

Members who have not yet registered their e-mail (including those who wish to change their already registered e-mail id) may get the same registered/updated with the Share Transfer Agent of the Company. 28<sup>th</sup> Annual Report for the Financial Year 2022-23 has also been uploaded on the website of the Company at [www.wepdigital.com](http://www.wepdigital.com)

### **Website**

In compliance with the Regulation 46 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 as amended a functional website of the Company is maintained. The Company's website [www.wepdigital.com](http://www.wepdigital.com) contains a separate section 'Investor Corner' for use of investors. The quarterly, half yearly and annual financial results, official news releases are promptly and prominently displayed on the website. Annual Reports, Quarterly Corporate Governance Report, Shareholding Pattern and other Corporate Communications made to the Stock Exchanges are also available on the website.

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

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

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

The investor complaints are processed in a centralized web-based complaints redress system. The salient features of this system are centralized database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status. During the year under review, no complaints were registered through SCORES.

### **Details of non-compliance**

The are no actions taken against the listed entity/ its promoters/ directors either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder during the last three years.

For the Financial year under review, BSE (Stock Exchange) had, vide its email dated 20th May 2022, levied a fine of Rs. 70,000/- (Rupees Seventy Thousand Only) for non-compliance with regard to constitution of Nomination and Remuneration Committee under Regulation 19(1)/19(2) of SEBI (LODR) Regulations, 2015. The Company had paid the fine along with GST amounting to Rs. 82,600/- on 23rd May 2022.

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

### **Dividend Payment**

Your Directors are pleased to recommend a Final Dividend of Rs. 0.50/- per Equity Share of Face Value of Rs. 10/- for the year ended 31st March 2023. The Final Dividend, subject to the approval of Members at the Annual General Meeting on Thursday 21st September 2023, will be paid to the Members whose names appear in the Register of Members, as on the record date i.e., Thursday 14th September 2023. In view of the changes made under the Income-tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the Shareholders. Your Company shall, accordingly, make the payment of the Final Dividend after deduction of tax at source.

### **Fees paid to Statutory Auditor and network firm or entity**

Details relating to fees paid to the Statutory Auditor is given in notes to the Financial Statements.

### Dates of Transfer of Unclaimed Dividend

In terms of the provisions of Section 124 and other applicable provisions of the Companies Act, 2013 as amended, the amount of Dividend remaining unpaid/unclaimed for the period of seven years from the date of its transfer to the Unpaid Dividend Account of the Company shall be required to be transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government. Given below is the date of declaration of Dividend and corresponding date when unpaid/unclaimed dividend are due for transfer to the IEPF. The details of the Dividend declared and paid by the Company in past are as mentioned below:

Financial Year	Type of Dividend	Dividend Rate	Date of Declaration	Due Date for transfer to IEPF
2021-22	Final Dividend	5%	1 <sup>st</sup> September 2022	8th October 2029

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

### Employees Stock Option Plan

The Company has Employee Stock Option Plan 2011 and Employees Stock Option Plan 2016 which is administered by the Nomination and Compensation Committee for the benefit of employees. During the Financial Year 2022-23, there has been no change in the Employee Stock Option Plan 2011 and Employees Stock Option Plan 2016 of the Company.

The Company, from time to time, provides share-based payments to its employees. These payments are provided in the form of stock options that can be exercised once the employee has completed specified service term with the Company. All share-based employee payments will be settled in Equity Shares. Pursuant to Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and as required under the Securities and Exchange Board of India Guidelines, the applicable disclosures as on 31st March 2023 is as tabulated below:

	ESOP Plan 2011	ESOP Plan 2016
Date of Shareholders' Approval	27 <sup>th</sup> September 2011	22 <sup>nd</sup> September 2016
Total number of Options approved under the scheme	6,00,000	6,00,000
<b>Vesting Schedule</b>		
On Completion of 12 months from the date of Grant of Options	30%	30%
On Completion of 24 months from the date of Grant of Options	30%	30%
On Completion of 36 months from the date of Grant of Options	40%	40%
Exercise Price	Rs. 10 per share	Rs. 10 per share
Exercise Period	5 Years from the date of vesting	5 Years from the date of vesting
Option movements during the year		
Options outstanding at the beginning of the year	2,13,200	3,57,000
Options granted during the year	97,000	2,22,000
Options Lapsed during the year	68,000	74,500
Options vested and available for exercise	46,200	1,28,500
Options exercised during the year	29,000	1,11,500
Variations of terms of Options	None	None
Money realised by exercise of Options (Rs.)	2,90,000	11,15,000
Total number of Options in force as at the end of the year	2,13,200	3,93,000
Vested and available for exercise	46,200	1,28,500
Unvested	1,67,000	2,64,500

## Listing

At present, the equity shares of the Company are listed at BSE Ltd., Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001. In Compliance with Regulation 14 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended the Annual Listing Fees for the Financial Year 2022-23 has been paid to BSE Ltd.

### General Shareholder Information:

<b>Annual General Meeting</b>	Thursday, 21 <sup>st</sup> September, 2023
<b>Time and Venue</b>	04:00 P.M. (Mode: VC or OAVM)
<b>Book Closure Dates</b>	Friday 15th September - Thursday 21st September 2023
<b>Listing Details</b>	Company's shares are listed at BSE: <b>Scrip Code</b> : 532373 <b>Scrip Name</b> : WEPSOLN <b>ISIN Code</b> : INE434B01029
<b>Corporate Identity Number (CIN) of the Company</b>	L72200KA1995PLC025617

### Market Price Data

(Source: [www.bseindia.com](http://www.bseindia.com))

Month	Open	High	Low	Close	No. of Shares
Apr-22	21.75	30.70	21.75	26.00	2,74,988
May-22	25.00	27.20	20.55	21.15	2,00,133
Jun-22	20.80	24.30	19.00	22.80	4,68,860
Jul-22	21.85	24.60	19.60	22.35	1,49,164
Aug-22	22.90	23.90	20.05	22.30	2,12,708
Sep-22	21.80	25.90	21.50	21.80	3,86,733
Oct-22	22.50	24.20	21.30	22.35	1,04,337
Nov-22	22.45	23.00	20.05	20.60	1,59,135
Dec-22	21.20	23.50	19.80	21.90	2,88,415
Jan-23	22.75	25.85	20.80	23.05	3,61,658
Feb-23	23.45	26.00	19.80	20.50	2,87,638
Mar-23	20.00	21.60	16.35	18.21	1,92,474

### Distribution of shareholdings according to number of shares held as on 31st March 2023.

Values of Shares held (Rs.)	No. of Shareholders	% of Shareholders	Values of Shares held	% to the total paid up capital
1 - 5000	3,275	62.55	41,17,050	1.14
5001 - 10000	565	10.79	46,62,730	1.29
10001 - 20000	528	10.08	74,72,310	2.06
20001 - 30000	261	4.98	61,97,800	1.71
30001 - 40000	99	1.89	34,04,770	0.95
40001 - 50000	98	1.87	45,04,540	1.24
50001 - 100000	194	3.71	1,37,34,080	3.78
100001 - And Above	216	4.13	31,94,37,840	87.83
<b>TOTAL</b>	<b>5,236</b>	<b>100.00</b>	<b>36,35,31,120</b>	<b>100.00</b>

Note: \* Total Shareholders as on 31<sup>st</sup> March 2023 are 5,112 after Merging of First Holder PAN.

### Shareholding Pattern as at March 31, 2023

Category of Shareholder	Number of Shareholders	Total Number of Shares	Total Shareholding as a percentage of total number of shares
<b>Shareholding of Promoter and Promoter Group</b>			
1. Individuals*	2	29,04,582	7.99
2. Bodies Corporate	3	12,315,813	33.88
<b>Total Promoters' Holding (A)</b>	<b>5</b>	<b>1,52,20,395</b>	<b>41.87</b>
<b>Shareholding of the Public Shareholder</b>			
1. Bodies Corporate	42	26,12,485	7.19
2. Individuals			
a. Individuals Shareholders Holding Nominal Share Capital upto Rs. 2 lakh	4,736	51,82,916	14.26
b. Individual Shareholders Holding Nominal Share Capital in excess of Rs. 2 lakh	89	1,19,18,477	32.79
3. Clearing Members	3	66	0.00
4. Hindu Undivided Families	163	5,08,727	1.40
5. Non Residents Indians	73	2,41,349	0.66
6. IEPF	1	6,68,697	1.83
<b>Total Public Shareholding (B)</b>	<b>5,107</b>	<b>2,11,32,717</b>	<b>58.13</b>
<b>Total (A)+(B)</b>	<b>5,112</b>	<b>3,63,53,112</b>	<b>100.00</b>

**Note:**

a) \* With reference to the SEBI Circular dated 30th November 2015 (CIR/CFD/CMD/13/2015) the Shareholding of the Promoter and Promoter Group is to be consolidated on the basis of the PAN and Folio Number to avoid multiple disclosure of Shareholding of the same person.

b) Total number of shares and percentage shareholding by Non- Resident Shareholders is 2,41,349 Equity Shares and 0.66 % respectively. The Company has not issued any ADRs and GDRs. The foreign shareholding consists of holding by NRIs and other foreign national only.

### Registrar and Transfer Agents

Securities and Exchange Board of India (SEBI), through its Circular No. D&CC/FITTC/CIR-15/2002 dated December 27, 2002, has made it mandatory for all work related to share registry, both in physical and electronic form, to be handled either wholly 'in-house' by companies or wholly by a SEBI registered external registrar and transfer agent. The Company has appointed Cameo Corporate Services Limited as its Registrar and Transfer Agent. Details of the Registrar and Share Transfer Agent are given below:

**Cameo Corporate Services Limited,**

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

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

## Share Transfer System

All share transfer and other communication regarding share certificates, change of address, dividend etc., should be sent to our Registrar and Transfer Agents. All shares transfer is completed within statutory time limit from the date of receipt provided the documents meet the stipulated requirements of statutory provisions in all respects. The Company obtains from a Practicing Company Secretary yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 as amended, and files a copy of the same with BSE Ltd.

## Reconciliation of Share Capital Audit

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

## Dematerialization of Shares and Liquidity

The Company's shares are tradable compulsorily in electronic mode. In India there are two depositories i.e. National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL). To facilitate trading in DEMAT form, Company have established connectivity with both the depositories. Shareholders can open their accounts with any of the Depository Participant registered with these depositories. The International Securities Identification Number (ISIN) allotted to our shares under the Depository System is INE434B01029.

## Break up of Shares in Physical and DEMAT form as on 31<sup>st</sup> March 2023:

Mode of Holding	Number of Shareholders	No of Shares	% to total equity
<b>DEMAT Segment</b>			
a. NSDL	2,432	31,540,893	86.76
b. CDSL	2,603	44,96,189	12.37
<b>Physical Segment</b>			
	201	3,16,030	0.87
<b>Grand Total</b>	<b>5,236</b>	<b>3,63,53,112</b>	<b>100.00</b>

Note: \* Total Shareholders as on 31<sup>st</sup> March 2023 are 5,112 after Merging of First Holder PAN.

## Consolidation of Folios and avoidance of multiple mailing

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

## Outstanding GDRs/ADRs/Warrants/Options

The Company has no outstanding Warrants or Options as on 31<sup>st</sup> March 2023. Further the Company has no outstanding GDRs, ADRs or Options as on 31<sup>st</sup> March 2023.

**Plant Locations:**

Himachal Pradesh: Plot 87, EPIP, Phase I, Jharmajri, Dist:Solan, Himachal Pradesh - 174103.

**Address for Investor's Correspondence**

For any queries relating to the Shares of your Company correspondence may be done in the below manner:

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

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

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

The Company Secretary  
WeP Solutions Limited,40/1 A,Basappa Complex, Lavelle Road, Bengaluru 560 001, Karnataka.  
E-mail : [investor@wepsol.in](mailto:investor@wepsol.in) Contact No: 9019915738

Shareholders are requested to quote their folio number/DP ID and Client ID, e-mail address, telephone number and full address while corresponding with the Company and its Share Transfer Agent.

## **Annexure to Report on Corporate Governance for the Financial Year ended 31<sup>st</sup> March 2023**

### **A. Compliance Certificate on Corporate Governance**

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

**Corporate Governance Compliance Certificate**  
**Corporate Identity Number: L72200KA1995PLC025617**  
**Nominal Capital: Rs. 40,00,00,000/-**

I, S Kannan, Company Secretary, have examined all the relevant records of WeP Solutions Limited ('The Company') for the purpose of certifying compliance of the conditions of the Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, for the period 1<sup>st</sup> April, 2022 to 31 March, 2023.

Further, I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of certification. The compliance of conditions of corporate governance is the responsibility of the Management. My examination was limited to the procedure and implementation process adopted by the Company for ensuring the compliance of the conditions of the corporate governance.

This Certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company. In my opinion and to the best of my information and according to the explanations and information furnished to me, I certify that the Company has complied with all the mandatory conditions of Corporate Governance as applicable under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**For S. Kannan and Associates**

**Place: Bengaluru**  
**Date: 12th August 2023**

**S Kannan**  
**Company Secretary**  
**FCS No: 6261/ C P No. 13016**

**B. Certificate under Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (As amended)**

*(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 Members,  
WeP Solutions Limited,  
40/1A, Basappa Complex, Lavelle Road,  
Bengaluru 560 001.

I, S Kannan, Consultant Company Secretary, have examined the relevant registers, records, forms, returns and disclosures received from the Directors of WeP Solutions Limited having CIN L72200KA1995PLC025617 and having registered office at 40/1A, Basappa Complex, Lavelle Road, Bengaluru 560 001 (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 and 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 MCA portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company and its officers, I, hereby certify that none of the Directors on the Board of the Company as stated below as on 31<sup>st</sup> March, 2023 and as on date of this Certificate, 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.

Sl. No.	DIN No.	Name of the Director
1	00006399	Ram Narayan Agrawal
2	00250122	Hangalore Venkatachala Gowthama
3	00662212	Grama Hiriyannaiah Visweswara
4	02121024	Shankar Jaganathan
5	02919040	Ayyagari Lakshmana Rao
6	03023842	Sandeep Kumar Goyal
7	09180804	Shruti Agarwal
8	09179865	Vandana Malaiya
9	09564236	Ashok Tripathy

Ensuring the eligibility for appointment/continuity of every Director on the Board is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these, based on our verification. 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 S KANNAN AND ASSOCIATES**

**Place: Bengaluru**  
**Date: 12th August 2023**

**S Kannan**  
**Company Secretary**  
**FCS No. 6261 / C P No.: 13016**  
**UDIN NO.: F006261E000796490**

**C. Declaration regarding Compliance by the Board Members and Senior Management Personnel with the Company's Code of Conduct pursuant to Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirement), Regulations, 2015 as amended. This is to certify that pursuant to Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 as amended.**

The Company has obtained from all the members of the Board and Senior Management Personnel, affirmation(s) that they have complied with the Code of Conduct for Board Members and Senior Management Personnel in respect of the financial year ended 31st March, 2023.

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

**Place: Bengaluru**

**Date: 12th August 2023**

**Ashok Tripathy**

**CEO and Managing Director**

**D. Chief Executive Officer and Chief Financial Officer Compliance Certificate [As per Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Schedule II - Part B].**

We, Ashok Tripathy, Chief Executive Officer and Sandeep Kumar Goyal, Chief Financial officer hereby certify that

1. We have reviewed the financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2023 and that to the best of our knowledge and belief:
  - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and
  - b. these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit committee
  - a. significant changes in internal control over financial reporting during the year;
  - b. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - c. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

**Ashok Tripathy**  
**CEO and Managing Director**

**Sandeep Kumar Goyal**  
**CFO and Executive Director**

## Independent Auditor's Report

### To the Members of WeP Solutions Limited

### Report on the Audit of Ind AS Financial Statements

#### Opinion

We have audited the accompanying financial statements of **M/s WeP Solutions Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "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 Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing ("SA"s) 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 Ind AS 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Ind AS financial statements.

#### 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. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. However, we have no key audit matters to be communicated in this report.

#### Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the Directors Report along with the annexures, Corporate Social Responsibility Report and Corporate Governance Report (but does not include the financial statements and our auditor's report thereon) which we obtained prior to the date of this auditor's report, and the Chairman's statement, the Managing Directors Message, the Management Discussion and Analysis Report which is expected to be made available to us after that date.

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Ind AS financial statements, or our knowledge obtained in the 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 Ind AS 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, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibility for the Audit of the Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism through 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 control 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 the 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("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.

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 purpose 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 including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2023 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 with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**" to this report;
- g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- h) 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 has disclosed the impact of pending litigations on its financial position in its financial statements – Refer note 29 to the Financial Statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were amounts which were required to be transferred to the Investor Education and Protection Fund by the Company and the transfers have been made accordingly.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. As stated in Note 37 to the financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For **Guru & Jana,**

Chartered Accountants

**Firm Registration No: 006826S**

**Heena Kauser A P**

Partner

**Membership No: 219971**

UDIN: 23219971BGWFIO1501

**Place: Bengaluru**

**Date: 20-05-2023**

## “Annexure A” to the Independent Auditors Report

In terms of the information and explanation sought by us and given by the company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we report the following:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.  
(B) The Company has maintained proper records showing full particulars of intangibles assets.
- (b) All Property, Plant and Equipment were physically verified by the management in the previous year in accordance with a planned programmed of verifying them once in a year which is reasonable having regard to the size of the Company and the nature of its assets.
- (c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company has not revalued any of its property, plant and equipment (including right-of-use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. Discrepancies, if any of 10% or more in aggregate for each class of inventory were noticed on such physical verification and have been properly dealt with in the books of account.
- (b) As disclosed in note 10 to the financial statements, the Company has been sanctioned/ renewed working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. The quarterly returns/statements filed by the Company with such banks are in agreement with the books of accounts of the Company.
- (iii) The Company has not granted any loans, advances, investments, guarantees, secured or unsecured to companies, firms, Limited Liability partnerships or any other parties. Accordingly, the provisions of clause 3 (iii) (a) to (f) of the Order are not applicable to the Company and hence not commented upon.
- (iv) The company has not granted any loans, investments, guarantees, and securities covered under the provisions of section 185 and 186 of the Act. Accordingly, the provisions of clause 3 (iv) are not applicable to the Company and hence not commented upon.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of printers, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) a) According to information and explanations given to us and on the basis of our examination of the books of accounts and records, the Company has been generally regular in depositing undisputed statutory dues including Income-Tax and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2023 for a period of more than six months from the date on when they become payable.
- b) According to information and explanations given to us, following are the dues of income tax, GST, sales-tax, wealth tax, service tax, custom duty, excise duty, value added tax and cess which have not been deposited on account of disputes with the related authorities.

SI No	Name of the statute	Nature of the dues	Forum where dispute is pending	Financial year to which the matter pertains	Amount (Rs.)
1	Finance Act, 1994	Service Tax	CESTAT, Bengaluru	2010-11 to 2013-14	5,81,29,154

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans.
- b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- c) The Company has not taken any term loan during the year. However, there are outstanding borrowings of previous years. According to the information and explanations given to us, the proceeds of the borrowings have been utilized for the purposes for which they were obtained.
- d) On an overall examination of the financial statements of the Company, funds raised on short term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- e) According to the information and explanations given to us, the Company does not have any subsidiaries, joint ventures, or associate companies. Accordingly, the provisions of clause 3 (ix)(e) of the order are applicable.
- f) According to the information and explanations given to us, the Company does not have any subsidiaries, joint ventures, or associate companies. Accordingly, the provisions of clause 3 (ix)(f) of the order are applicable.

- (x) a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- c) According to the information and explanations given to us by the management, there are no whistleblower complaints received by the Company during the year.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.
- (xiii) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) a) In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business.
- b) We have considered the internal audit reports of the company issued till date, for the period under audit in determining the nature, timing and extent of our audit procedures.
- (xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him as stipulated u/s 192 of the Act. Accordingly, the provisions of clause (xv) of the Order are not applicable to the Company and hence not commented upon.
- (xvi) a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b), (c) and (d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the current year and immediately preceding year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios disclosed in note 38 to the financial statements, the ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions nothing has come to our attention, which causes us to believe that Company is not capable of meeting its liabilities, existing at the date of balance sheet, as and when they fall due within a period of one year from the balance sheet date.

We, further state that this is not an assurance as to the future viability of the Company and our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) Section 135 of Companies Act, 2013 is not applicable. Accordingly, reporting under clause 3(xx)(a) to (b) of the Order is not applicable for the year.

For **Guru & Jana,**

Chartered Accountants

**Firm Registration No: 006826S**

**Heena Kauser A P**

Partner

**Membership No: 219971**

UDIN: 23219971BGWFI01501

Place: Bengaluru

Date: 20-05-2023

## **“Annexure B” to the Independent Auditors Report**

### **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 **M/s. WeP Solutions Limited (“the Company”)**, as of March 31, 2023 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. 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 the 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 Companies Act, 2013.

#### **Auditor’s 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 as specified under section 143(10) of the Companies Act, 2013, 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 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, 2023, 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 **Guru & Jana,**

Chartered Accountants

**Firm Registration No: 006826S**

**Heena Kauser A P**

Partner

**Membership No: 219971**

UDIN: 23219971BGWFI01501

Place: Bengaluru

Date: 20-05-2023

**WeP Solutions Limited**  
**Balance Sheet as at March 31, 2023**

**PART I – BALANCE SHEET**

Rs. In Lakhs

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant and Equipment	2	2,708.62	2,563.93
(b) Capital Work-in-Progress	39	175.66	356.94
(c) Intangible Assets	3	-	9.29
(d) Financial Assets			
i. Other Financial Assets	4(c)	324.15	51.70
(e) Deferred Tax Assets (net)	5	546.46	342.69
(f) Other Non-Current Assets	6	261.69	276.87
		<b>4,016.58</b>	<b>3,601.42</b>
<b>(2) Current assets</b>			
(a) Inventories	7	1,344.96	1,313.81
(b) Financial Assets			
i. Trade Receivables	4(a)	1,599.53	1,327.20
ii. Cash and Cash Equivalents	4(b)	16.20	305.85
iii. Bank Balances other than (ii) above	4(d)	156.25	458.69
iv. Other financial assets	4(c)	9.47	30.90
(c) Other Current Assets	8	582.69	827.31
		<b>3,709.10</b>	<b>4,263.76</b>
<b>Total Assets</b>		<b>7,725.68</b>	<b>7,865.18</b>
<b>EQUITY AND LIABILITIES</b>			
<b>(3) Equity</b>			
(a) Equity Share capital	9(a)	3,635.37	3,621.32
(b) Other Equity			
i. Reserves & Surplus	9(b)	2,126.70	1,696.57
		<b>5,762.07</b>	<b>5,317.89</b>
<b>LIABILITIES</b>			
<b>(4) Non-current liabilities</b>			
(a) Financial Liabilities			
i. Borrowings	10(a)	34.81	198.55
ia. Lease liabilities	10(d)	112.78	113.74
(b) Provisions	11	26.79	60.48
(c) Other non-current liabilities	12	0.15	5.26
		<b>174.53</b>	<b>378.03</b>
<b>(5) Current liabilities</b>			
(a) Financial Liabilities			
i. Borrowings	10(a)	302.38	342.38
ia. Lease liabilities	10(d)	81.45	42.65
ii. Trade Payables			
A) Total outstanding dues of Micro and small enterprises	10(b)	40.90	32.65
B) Total outstanding dues of creditors other than micro and small enterprises		240.31	413.86
iii. Other Financial Liabilities	10(c)	499.29	729.50
(b) Other Current Liabilities	12	561.38	548.87
(c) Provisions	11	63.37	59.35
		<b>1,789.08</b>	<b>2,169.26</b>
<b>Total Equity and Liabilities</b>		<b>7,725.68</b>	<b>7,865.18</b>

**See Accompanying Notes to the Financial Statements**

As per our report attached

**For Guru & Jana**

Chartered Accountants

ICAI Firm Registration No.006826S

**Heena Kauser A P**

Partner

Membership No. : 219971

Place: Bengaluru

Date : May 20, 2023

**For and on behalf of the Board of Directors of WeP Solutions Limited**

**H V Gowthama**

Director

DIN: 00250122

**Sandeep Kumar Goyal**

Executive Director & CFO

DIN: 03023842

Place: Bengaluru

Date : May 20, 2023

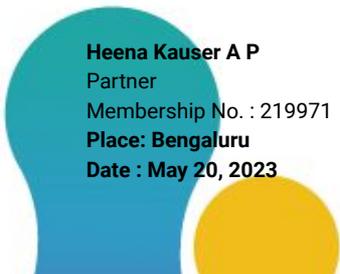
**Ashok Tripathy**

Managing Director & CEO

DIN:09564236

**Yashika Pardasani**

Company Secretary



**WeP Solutions Limited**  
**Statement of Profit and Loss for the year ended March 31,2023**

**PART II – STATEMENT OF PROFIT AND LOSS**

Rs. In Lakhs

	Particulars	Note No.	For the year April 1, 2022 to March 31, 2023	For the year April 1, 2021 to March 31, 2022
I	Revenue From Operations	13	9,220.35	11,079.98
II	Other Income	14	139.27	91.33
<b>III</b>	<b>Total Income (I+II)</b>		<b>9,359.62</b>	<b>11,171.31</b>
	<b>EXPENSES</b>			
a	Cost of Materials Consumed	15	1,661.08	1,408.14
b	Purchases of Stock-in-Trade	16	3,893.31	5,878.28
c	Changes in Inventories of Work-in-Progress, Stock-in-Trade and Finished Goods	17	(106.42)	54.26
d	Employee Benefits Expenses	18	881.59	954.41
e	Other Expenses	19	1,538.79	1,493.15
<b>IV</b>	<b>Total Expenses</b>		<b>7,868.35</b>	<b>9,788.24</b>
	<b>Profit/(loss) Before Depreciation, Interest, Exceptional Items and Tax (III-IV)</b>		<b>1,491.27</b>	<b>1,383.07</b>
f	Finance Costs	20	87.00	96.82
g	Depreciation and Amortization Expense	21	938.69	911.04
<b>V</b>	<b>Profit/(loss) Before Exceptional Items and Tax</b>		<b>465.58</b>	<b>375.21</b>
VI	Exceptional Items		-	-
<b>VII</b>	<b>Profit/(loss) Before Tax(V-VI)</b>		<b>465.58</b>	<b>375.21</b>
VIII	<b>Tax Expense:</b>			
	(1) Current tax		-	136.44
	(2) Tax relating to earlier years		(142.58)	(9.25)
	(3) Deferred tax		24.05	(11.08)
<b>IX</b>	<b>Profit / (Loss) for the year from Continuing Operations (VII-VIII)</b>		<b>584.11</b>	<b>259.10</b>
X	<b>Other Comprehensive Income</b>			
	A (i) Items that will not be reclassified to profit or loss		6.55	5.44
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	(1.51)
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
<b>XI</b>	<b>Total Comprehensive Income for the year (IX+X)</b> (Comprising Profit/(Loss) and Other Comprehensive Income for the year)		<b>590.66</b>	<b>263.02</b>
XII	<b>Earnings Per Equity Share of par value of Rs 10 each:</b>			
	(1) Basic (in Rs.)	27	1.61	0.72
	(2) Diluted (in Rs.)	27	1.59	0.71

**See Accompanying Notes to the Financial Statements**

No of Shares for EPS Calculation			
(1) Basic		3,63,03,870	3,61,95,598
(2) Diluted		3,67,33,070	3,66,62,368

**See Accompanying Notes to the Financial Statements**

As per our report attached

**For Guru & Jana**

Chartered Accountants  
ICAI Firm Registration No.006826S

**Heena Kauser A P**

Partner  
Membership No. : 219971

Place: Bengaluru

Date : May 20, 2023

**For and on behalf of the Board of Directors of WeP Solutions Limited**

**H V Gowthama**

Director  
DIN: 00250122

**Sandeep Kumar Goyal**

Executive Director & CFO  
DIN: 03023842

Place: Bengaluru

Date : May 20, 2023

**Ashok Tripathy**

Managing Director & CEO  
DIN:09564236

**Yashika Pardasani**

Company Secretary

**WeP Solutions Limited****Statement of Cash Flows for the year ended March 31, 2023**

Rs. In Lakhs

	Particulars	March 31, 2023	March 31, 2022
A	<b>Cash Flow From Operating Activities</b>		
	Profit / (Loss) before Income tax from continuing Operations	465.59	375.21
	<b>Profit / (Loss) before Income tax</b>	<b>465.59</b>	<b>375.21</b>
	<b>Adjustment for:</b>		
	Depreciation & Amortisation	938.69	911.04
	Provision for doubtful debts	37.58	34.49
	Employee share based payment expense	29.15	29.87
	Actuarial Gains/Losses recognised in Other Comprehensive Income	6.55	5.44
	Loss / (Profit) on Sale of Fixed Assets	(6.29)	3.50
	Net Exchange differences	(32.52)	(7.63)
	Interest Income	(22.18)	(25.14)
	Interest on ROU assets	21.55	8.78
	Interest Expense	65.45	82.68
	<b>Changes in Operating assets and liabilities</b>		
	(Increase)/Decrease in Inventories	(31.15)	45.91
	(Increase)/Decrease in Trade Receivables	(309.90)	(58.39)
	(Increase)/Decrease in Other Current Assets	244.62	(35.13)
	(Increase)/Decrease in Other Bank Balances	302.44	(443.79)
	(Increase)/Decrease in Other Current Financial Assets	21.43	(3.18)
	(Increase)/Decrease in Other Non Current Financial Assets	(275.88)	31.85
	(Increase)/Decrease in Other Non Current Assets	53.77	111.83
	Increase/(Decrease) in Provisions	(29.65)	(32.82)
	Increase/(Decrease) in Trade Payables	(132.79)	(106.87)
	Increase/(Decrease) in Other Current Liabilities	12.51	(26.25)
	Increase/(Decrease) in Other Non Current Liabilities	(5.11)	(8.54)
	Increase/(Decrease) in Other Current Financial Liabilities	(230.21)	383.19
	<b>Cash Generated from Operations</b>	<b>1,123.63</b>	<b>1,276.05</b>
	Income taxes paid	123.82	111.11
	<b>Net Cash From Operating Activities</b>	<b>999.80</b>	<b>1,164.94</b>
B	<b>Cash Flow From Investing Activities</b>		
	Purchase of Property, Plant & Equipment (including CWIP)	(781.24)	(965.74)
	Proceeds from Sale of Fixed Assets	13.60	2.59
	Interest Income	22.18	25.14
	<b>Net Cash Used In Investing Activities</b>	<b>(745.46)</b>	<b>(938.01)</b>
C	<b>Cash Flow From Financing Activities</b>		
	Proceeds from Issue of Shares	14.05	989.62
	Expenses by way of Stamp duty for merger	(7.81)	-
	Rights Issue Expenses	(0.15)	(4.51)
	Interest paid	(65.45)	(82.68)
	Proceeds / (Repayment) of Borrowings	75.67	(580.57)
	Repayment of Lease obligations	(99.16)	(51.07)
	Proceeds/(Repayment) of Term Loan	(279.42)	(244.86)
	Dividend payment	(181.73)	-
		<b>Net Cash From / (Used for) Financing Activities</b>	<b>(543.99)</b>
	<b>Net Increase / (Decrease) In Cash And Cash Equivalents - ( A + B + C )</b>	<b>(289.65)</b>	<b>252.86</b>
	Cash And Cash Equivalents at the beginning of the year	305.85	49.26
	Cash And Cash Equivalents on account of merger	-	3.73
	<b>Cash And Cash Equivalents at the end of the year</b>	<b>16.20</b>	<b>305.85</b>

As per our report attached

**For Guru & Jana**

Chartered Accountants

ICAI Firm Registration No.006826S

**Heena Kauser A P**

Partner

Membership No. : 219971

Place: Bengaluru

Date : May 20, 2023

For and on behalf of the Board of Directors of WeP Solutions Limited

**H V Gowthama**

Director

DIN: 00250122

**Sandeep Kumar Goyal**

Executive Director &amp; CFO

DIN: 03023842

Place: Bengaluru

Date : May 20, 2023

**Ashok Tripathy**

Managing Director &amp; CEO

DIN:09564236

**Yashika Pardasani**

Company Secretary

**WeP Solutions Limited**  
**Statement of Changes in Equity for the year ended March 31, 2023**

**STATEMENT OF CHANGES IN EQUITY**

**A. Equity Share Capital**

Rs. In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the reporting year	3,621.32	2,631.70
Changes in equity share capital during the year	14.05	989.62
Balance at the end of the reporting year	<b>3,635.37</b>	<b>3,621.32</b>

**B. Other Equity**

Rs. In Lakhs

Particulars	Reserves and Surplus					Total
	Capital Reserve	General Reserve	Securities Premium	Stock Options Outstanding	Retained Earnings	
<b>Opening Balance at April 1, 2022</b>	<b>313.27</b>	<b>58.09</b>	<b>1,424.17</b>	<b>104.01</b>	<b>(202.97)</b>	<b>1,696.57</b>
Dividend for financial year ended 31st March 2022					(181.73)	(181.73)
On Account of merger	(7.81)	-			-	(7.81)
Profit for the year					584.11	584.11
Other Comprehensive Income for the year net of taxes					6.55	6.55
Transfer to General Reserve		11.15		(11.15)		-
Premium on conversion of warrants						
Share issue expenses			(0.15)			(0.15)
Transfer from Stock Options Outstanding a/c			45.63	(45.63)		-
Employee stock options expense				29.16		29.16
<b>Closing Balance as at March 31, 2023</b>	<b>305.46</b>	<b>69.24</b>	<b>1,469.65</b>	<b>76.39</b>	<b>205.96</b>	<b>2,126.70</b>
<b>Opening Balance at April 1, 2021</b>	<b>313.27</b>	<b>20.60</b>	<b>1,418.93</b>	<b>112.52</b>	<b>506.60</b>	<b>2,371.92</b>
On Account of merger	-	8.86	-	-	(972.59)	(963.73)
Profit for the year	-	-	-	-	259.09	259.09
Other Comprehensive Income for the year net of taxes	-	-	-	-	3.93	3.93
Transfer to General Reserve	-	28.63	-	(28.63)	-	-
Share Issue Expenses	-	-	(4.51)	-	-	(4.51)
Transfer from Stock Options Outstanding a/c	-	-	9.75	(9.75)	-	-
Employee stock options expense	-	-	-	29.87	-	29.87
<b>Closing Balance as at March 31, 2022</b>	<b>313.27</b>	<b>58.09</b>	<b>1,424.17</b>	<b>104.01</b>	<b>(202.97)</b>	<b>1,696.57</b>

- a) **Capital Reserve** – This represents the value of bargain purchase gain upon acquisition and is not freely available for distribution
- b) **Retained earnings / General reserve** – These are free reserves that are available for distribution of dividends. Retained earnings comprises of the Company's undistributed earnings after taxes.
- c) **Securities premium reserve**: Securities premium reserve is used to record the premium on issue of shares. The reserve is utilized in accordance with the provision of section 52 of the Companies Act, 2013.
- d) **Share option outstanding account** - The share option outstanding account is used to recognize the value of equity-settled share based payments provided to employees, including key management personnel.
- e) **Other Comprehensive Income** : Changes in the fair value of financial instruments measured at fair value through other comprehensive income and actuarial gains and losses on defined benefit plans are recognized in other comprehensive income (net of taxes), and presented within equity as other comprehensive income.

As per our report attached

For and on behalf of the Board of Directors of WeP Solutions Limited

**For Guru & Jana**

Chartered Accountants  
 ICAI Firm Registration No.006826S

**H V Gowthama**

Director  
 DIN: 00250122

**Ashok Tripathy**

Managing Director & CEO  
 DIN:09564236

**Heena Kauser A P**

Partner  
 Membership No. : 219971

**Sandeep Kumar Goyal**

Executive Director & CFO  
 DIN: 03023842

**Yashika Pardasani**

Company Secretary

Place: Bengaluru

Date : May 20, 2023

Place: Bengaluru

Date : May 20, 2023

## Corporate Information

The Company is principally engaged in the business of providing Managed Printing Solutions and Services, Manufacturing and Distribution of Retail Billing Products as well as multi-functional printers and providing Digital Services like GST, etc. to both enterprise and retail customers, pan India. The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act 1956. Its shares are listed on the Bombay Stock Exchange and the registered office of the Company is located at 40/1A, Basappa Complex, Lavelle Road, Bengaluru - 560001.

The financial statements are approved for issue by the Company's Board of Directors on 20th May 2023.

### 1. Significant Accounting Policies and Other Explanatory Information to the Financial Statements for the year ended March 31, 2023

#### A. Significant accounting policies

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements, unless otherwise indicated.

##### A.1. Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time. WeP Digital Services Limited, a wholly owned subsidiary of the company, was amalgamated with the company with the Appointed date as 1st April 2021 in terms of scheme of arrangement framed under sections 230 and 232 of the Companies Act, 2013. The financial statements have been prepared in accordance with the scheme of arrangement and in accordance with the accounting standards. The amalgamation has been given effect to in the books of accounts as per appendix C of Ind AS-103 governing Business Combinations.

##### A.2. Basis of preparation

These financial statements have been prepared in Indian Rupees (₹) which is the functional currency of the company.

These financial statements have been prepared on historical cost basis, except for certain financial instruments which are measured at fair value or amortised cost at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods or services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle.

##### A.3. Use of Estimates

The preparation of these financial statements is in conformity with the recognition and measurement principles of Ind AS which requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Changes in estimates are reflected in the financial statements in the period in which the changes are made.

Significant judgements and estimates relating to the carrying amounts of assets and liabilities include useful lives of property, plant and equipment and intangible assets, impairment of property, plant and equipment, intangible assets, provision for employee benefits and other provisions and recoverability of deferred tax assets.

#### A.4. Revenue Recognition

The Company earns revenue primarily from Managed Printing Solutions and Services, Manufacturing and Distribution of Retail Billing Products, trading in multifunctional printers and providing Digital Services like facilitation in filing of GST returns etc. to both enterprise and retail customers, pan India.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

- Contracts with customers are considered for revenue recognition only if (a) the contract having commercial substance is approved and the parties have committed to perform their respective obligations; (b) respective rights of the parties with respect to goods or services to be transferred are identified; (c) the payment terms for goods or services to be transferred are clear and (d) it is probable that consideration would be collected in exchange for the goods or services that would be transferred to the customer. At the inception of the contract, either a transfer of distinct good or service to the customer or a series of distinct goods and services that are substantially the same and that have the same pattern of transfer to the customer are identified as performance obligation. Revenue is recognised when the performance obligation is satisfied by transferring the promised good or service to a customer and the customer obtains controls over it.

- In the case of provision of services such as Managed return filing services, use of ASP-GST software, where performance obligation is satisfied over time, revenue is recognised over time by measuring the progress to complete satisfaction of that performance obligation. In respect of revenue from licenses, where the customer obtains a "right to use", the revenue is recognised at the point in time when the license is made available to the customer and is recognised over the access period.

Dividend income from investments is recognised when the shareholder's right to receive payment has been established. Interest income is recognised on a time proportion basis.

#### A.5. Inventories

Inventories are stated at lower of cost and net realizable value. Cost is determined using the weighted average method. Costs comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value is the price at which the inventories can be realised in the normal course of business, after allowing for the cost of conversion from their existing state to a finished condition and for the cost of selling and distribution.

Obsolete, slow moving and defective inventories are identified from time to time and where necessary, a provision is made for such inventories.

#### A.6. Property, plant and equipment

An item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. This recognition principle is applied to the costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. Borrowing cost directly attributable to the construction or production of qualifying assets are capitalised as a part of cost. All other repair and maintenance costs, including regular servicing, are recognised in the Statement of Profit and Loss, as and when incurred.

All property, plant and equipment are stated at cost of acquisition or construction, less accumulated depreciation and impairment loss, if any. Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use. Capital Work-in-Progress is stated at cost, comprising of direct cost and related incidental expenditure. Assets that are not ready for use in the manner as intended by the Management are shown as Capital work in progress

The gain or loss arising on disposal of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset, and is recognised in the Statement of Profit and Loss.

## A.7. Intangible assets

"Software costs, both acquired and internally generated, are recognised as intangible assets only where they are clearly linked to long term economic benefits for the Company. They are amortized on a straight-line basis over their estimated useful lives. All other costs on software are expensed in the Statement of Profit and Loss as and when incurred.

Expenditure during development phase of internally generated software is recognized as intangible assets if all of the following conditions are met:

- i) completion of the development is technically feasible;
- ii) it is the intention to complete the intangible asset and use or sell it;
- iii) it is clear that the intangible asset will generate probable future economic benefits;
- iv) adequate technical, financial and other resources to complete the development and to use or sell the intangible asset are available; and
- v) it is possible to reliably measure the expenditure attributable to the intangible asset during its development.

Recognition of costs as an asset is ceased when the project is complete and available for its intended use, or if these criteria no longer apply.

Where development activities do not meet the conditions for recognition as an asset, any associated expenditure is treated as an expense in the period in which it is incurred"

## A.8. Depreciation and amortization of property, plant and equipment and intangible assets

Depreciation or amortization is provided on the straight-line method over the useful lives of assets as estimated by the management. The estimated useful lives of assets are as follows:

Assets	Useful Life applied (In Years)
Computers	3.00
Furniture and Fixtures - Owned Premises	10.00
Furniture and Fixtures - Leased Premises	5.00
Office Equipment	5.00
Plant and Equipments including Electrical installations	4.00
Computer Peripherals - on Use and Pay	4.00
Vehicles	8.00
Air Conditioners	4.00
Moulds, Dies & Patterns	5.00
Building	30.00

Individual Assets costing less than Rs 5,000 are depreciated in full in the year of purchase. Depreciation for assets purchased / sold during the year is proportionately charged.

Intangible assets are amortized over their respective individual estimated useful lives as estimated by the management on a straight-line basis as follows:

Asset	Amortization in Yrs
Computer Software – ERP Systems	4.00
Computer Software	2 to 3 years
Technical Know-how	5.00

### **A.9. Impairment of Assets**

"At each balance sheet date, the Company reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that the carrying amount of those assets may not be recoverable through continuing use.

If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss, if any. Where asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of the fair value, less costs to sell and value in use. In assessing value in use, the estimated future cash discounted to their present value, using a pre-tax discount rate that reflects current market assessments of the time value of money and risks to the asset, for which the estimates of future cash flows have not been adjusted. An impairment loss is recognised in the Statement of Loss as and when the carrying amount of an asset exceeds its recoverable amount.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately.

### **A.10. Foreign Currency Transactions**

Foreign currency transactions are recorded at the exchange rate prevailing on the date of transaction.

At the end of each reporting period, all monetary items denominated in foreign currencies are translated at the rates prevailing as at the balance sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

The exchange difference arising on account of the difference between the rates prevailing on the date of transaction and on the date of settlement, as also on translation of monetary items at the end of the year is recognized as income or expense, as the case may be, in the Statement of Profit and Loss for the year.

### **A.11. Financial Instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss, are immediately recognised in the Statement of Profit and Loss.

#### **Effective interest method**

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

## a) Financial assets

### Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost, if these financial assets are held within a business model whose objective is to hold these assets, in order to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Investment in subsidiaries / associates are accounted at cost.

### Financial assets measured at fair value

Financial assets are measured at fair value through other comprehensive income, if these financial assets are held within a business model, whose objective is to hold these assets in order to collect contractual cash flows, or to sell these financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets not measured at amortised cost, or at fair value through other comprehensive income, are carried at fair value through profit or loss.

### Impairment of financial assets

The Company assesses, on a forward looking basis, the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Company has applied the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables with effect from April 1, 2017.

### Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

## b) Financial liabilities and equity instruments

### Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity is recorded at the proceeds received net of direct issue costs.

### Financial Liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method.

Interest-bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Company's accounting policy for borrowing costs.

### **Derecognition of financial liabilities**

The Company derecognises financial liabilities when the Company's obligations are discharged, cancelled or they expire.

## **A.12. Employee Benefits**

### **i. Short Term Employee Benefits**

Short Term Employees Benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related services is rendered.

### **ii. Other long-term employee benefit obligations**

**Leave Encashment:** Liability in respect of leave encashment as at the balance sheet date is determined based on actuarial valuation, by using the Projected Unit Credit Method and gains/losses for the year are recognized immediately in the Statement of Profit and Loss.

### **iii. Post Employment Benefits**

**Provident Fund:** The Company contributes monthly at a determined rate. These contributions are remitted to the Employee Provident Fund Commissioner office and are charged to the Statement of Profit and Loss on accrual basis.

**Gratuity:** The Company provides for gratuity (a defined benefit retirement plan) to all the eligible employees. The benefit is in the form of lump sum payments to vested employees on retirement, on death while in employment, or termination of employment for an amount equivalent to 15 days' salary, payable for each completed year of service. Vesting occurs on completion of five years of service. Liability in respect of gratuity as at the balance sheet date is determined on the basis of actuarial valuation, using the Projected Unit Credit Method. Re-measurement gains and losses of the net defined benefit liability/ (asset) are recognised immediately in other comprehensive income. The service cost, net interest on the net defined benefit liability/ (asset) is treated as a net expense within employment costs and are recognized immediately in the Statement of Profit and Loss.

### **iv. Employee Stock Options**

All employee services received in exchange for the grant of any share based remuneration are measured at their fair values. These are indirectly determined by reference to the fair value of the share options awarded. Their value is appraised at the grant date and excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets).

All share-based remuneration is ultimately recognised as an expense in the Statement of Profit and Loss, with a corresponding credit to Employee Stock Compensation Reserve. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised, if there is any indication that the

number of share options expected to vest differs from previous estimates. Once vested, no adjustment is made to expense recognised in prior periods if, ultimately, fewer share options are exercised than originally estimated. Upon exercise of share options, the proceeds received (net of any directly attributable transaction costs) up to the nominal value of the shares issued are allocated to share capital with any excess being recorded as Securities Premium.

### **A.13. Borrowing Costs**

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of those assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for intended use. All other borrowing costs are recognised as an expense in the Statement of Profit and Loss in the period in which they are incurred.

### **A.14. Earning Per Share**

In accordance with the Ind AS 33 "Earnings Per Share", basic / diluted earnings per share is computed by taking the weighted average number of shares outstanding during the year.

### **A.15. Taxation**

Tax expense for the year comprises of current tax and deferred tax.

The tax currently payable is based on the taxable profit for the year. Taxable profit differs from net profit, as reported in the Statement of Profit and Loss, because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences. In contrast, deferred tax assets for all deductible temporary differences and unused tax losses are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred tax assets are reviewed at each balance sheet date for the appropriateness of their respective carrying values.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax are recognised as an expense or income in the Statement of Profit and Loss, except when they relate to items credited or debited either in other comprehensive income or directly in equity, in which case the tax is also recognised in other comprehensive income or directly in equity.

Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax during the specified period. Accordingly, MAT entitlement is

recognised as an asset in the Balance Sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with it will fructify. Such asset is reviewed at each balance sheet date and the carrying amount of MAT credit asset is written down to the extent there is no longer a convincing evidence for the effect that the company will pay normal income tax during the specified period.

#### **A.16. Warranty Cost**

The Company accrues the estimated cost of warranties at the time when the revenue is recognised. The accruals are based on the Company's historical experience of material usage and service delivery cost.

#### **A.17. Provisions**

Provisions are recognized in the balance sheet when the Company has a present obligation (legal or constructive) as a result of a past event, which is expected to result in an outflow of resources embodying economic benefits which can be reliably estimated. Each provision is based on the best estimate of the expenditure required to settle the present obligation at the balance sheet date. When appropriate, provisions are measured on a discounted basis. Constructive obligation is an obligation that derives from a Company's actions where:

- (a) by an established pattern of past practice, published policies or a sufficiently specific current statement, the Company has indicated to other parties that it will accept certain responsibilities; and
- (b) as a result, the Company has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

#### **A.18. Leases**

The Company's lease asset classes primarily consist of leases for land and buildings. The Company, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contracts existing and entered into on or after April 1, 2019.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's long term borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets (assets of less than INR 5,000 in value). The Company recognises the lease payments associated with these leases as an expense over the lease term.

#### **A.19. Cash and Cash Equivalents**

"Cash and cash equivalents include cash in hand, demand deposits with bank, and other short term highly liquid investments, with original maturities of 3 months or less.

Cash flow Statement:- Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows from operating, investing and financing activities are segregated."

**Note 2 : Property, Plant and Equipment**

Rs. In Lakhs

Particulars	Leasehold - Land	Building - Factory	Plant & Equipment	Moulds, Dies & Patterns	Computers	Computer Peripherals - On Use and Pay	Furniture & Fixture	Right of Use Asset-Lease d Building	Vehicles	Total
<b>Year ended Mar 31, 2023</b>										
<b>Gross carrying amount</b>										
Opening gross carrying amount	668.57	382.83	80.91	140.68	168.50	5,507.12	116.98	200.90	5.86	7,272.35
Additions	-	-	3.90	19.89	7.68	844.22	2.30	118.89	84.53	1,081.41
Disposals	-	-	0.33	-	5.31	671.09	1.47	-	1.12	679.33
<b>Closing gross carrying amount</b>	<b>668.57</b>	<b>382.83</b>	<b>84.08</b>	<b>160.58</b>	<b>170.86</b>	<b>5,680.25</b>	<b>117.82</b>	<b>320.79</b>	<b>89.27</b>	<b>7,674.43</b>
<b>Accumulated Depreciation</b>										
Opening accumulated depreciation	48.34	84.15	54.70	101.17	155.57	4,156.10	56.55	45.97	5.86	4,708.43
Additions	8.06	13.79	8.97	17.25	10.20	756.24	18.89	89.59	6.41	929.40
Disposals	-	-	0.33	-	4.98	664.11	1.47	-	1.12	672.01
<b>Closing accumulated depreciation</b>	<b>56.40</b>	<b>97.94</b>	<b>63.34</b>	<b>118.42</b>	<b>159.79</b>	<b>4,248.23</b>	<b>73.97</b>	<b>135.56</b>	<b>11.16</b>	<b>4,965.81</b>
<b>Net carrying amount</b>	<b>612.17</b>	<b>284.89</b>	<b>20.74</b>	<b>42.16</b>	<b>11.06</b>	<b>1,432.02</b>	<b>43.85</b>	<b>185.23</b>	<b>78.12</b>	<b>2,708.62</b>
<b>Year ended March 31, 2022</b>										
<b>Gross carrying amount</b>										
Opening gross carrying amount	668.57	382.83	89.83	113.77	143.12	5,014.07	110.81	234.36	5.86	6,763.20
Acquisitions through business combinations	-	-	13.05	-	29.74	0.45	5.58	-	-	48.82
Additions	-	-	1.46	26.91	-	773.24	0.93	171.80	-	974.35
Disposals	-	-	23.43	-	4.36	280.64	0.34	205.26	-	514.03
<b>Closing gross carrying amount</b>	<b>668.57</b>	<b>382.83</b>	<b>80.91</b>	<b>140.68</b>	<b>168.50</b>	<b>5,507.12</b>	<b>116.98</b>	<b>200.90</b>	<b>5.86</b>	<b>7,272.35</b>
<b>Accumulated Depreciation</b>										
Opening accumulated depreciation	40.28	70.01	55.12	78.03	119.10	3,700.38	33.80	142.01	5.07	4,243.80
Additions on account of merger	-	-	12.39	-	27.82	0.32	3.99	-	-	44.53
Additions	8.06	14.14	10.62	23.14	13.01	729.95	19.10	47.42	0.79	866.23
Disposals	-	-	23.43	-	4.36	274.55	0.34	143.46	-	446.14
<b>Closing accumulated depreciation</b>	<b>48.34</b>	<b>84.15</b>	<b>54.70</b>	<b>101.17</b>	<b>155.57</b>	<b>4,156.10</b>	<b>56.55</b>	<b>45.97</b>	<b>5.86</b>	<b>4,708.43</b>
<b>Net carrying amount</b>	<b>620.23</b>	<b>298.68</b>	<b>26.21</b>	<b>39.51</b>	<b>12.92</b>	<b>1,351.02</b>	<b>60.43</b>	<b>154.93</b>	<b>-</b>	<b>2,563.92</b>

- Note:
- Details of assets offered as security is provided in Note 10
  - Leasehold Land is the land situated at Baddi, Himachal Pradesh, which has been obtained under a 85 years lease from the Department of Industries, Himachal Pradesh.

**Note 3 : Intangible Assets**

Rs. In Lakhs

Particulars	Computer Software	Computer Software - ERP System	Total
<b>Year ended March 31, 2023</b>			
<b>Gross carrying amount</b>			
Opening gross carrying amount	149.90	164.36	314.26
Additions	-	-	-
Disposals	9.80	-	9.80
<b>Closing gross carrying amount</b>	<b>140.09</b>	<b>164.36</b>	<b>304.46</b>
<b>Accumulated Amortisation</b>			
Opening accumulated amortisation	146.16	158.81	304.97
Additions	3.73	5.56	9.29
Disposals	9.80	-	9.80
<b>Closing accumulated amortisation</b>	<b>140.09</b>	<b>164.36</b>	<b>304.46</b>
<b>Net carrying amount</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Year ended March 31, 2022</b>			
<b>Gross carrying amount</b>			
Opening gross carrying amount	95.04	164.36	259.41
Acquisitions through business combinations	57.35	-	57.35
Additions	-	-	-
Disposals	2.50	-	2.50
<b>Closing gross carrying amount</b>	<b>149.90</b>	<b>164.36</b>	<b>314.26</b>
<b>Accumulated Amortisation</b>			
Opening accumulated amortisation	83.66	121.65	205.31
Additions on account of merger	57.35	-	57.35
Additions	7.65	37.16	44.81
Disposals	2.50	-	2.50
<b>Closing accumulated amortisation</b>	<b>146.16</b>	<b>158.81</b>	<b>304.97</b>
<b>Net carrying amount</b>	<b>3.73</b>	<b>5.56</b>	<b>9.29</b>

Rs. In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Trade Receivables	2,440.68	2,307.39
Allowances for Credit Losses	(841.15)	(980.19)
<b>Total Receivables</b>	<b>1,599.53</b>	<b>1,327.20</b>
Current portion	1,599.53	1,327.20
Non-current portion	-	-

**Break-Up of Security details**

Rs. In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Outstanding for more than six months from the due date</b>		
Secured, considered good	-	-
Unsecured, considered good	107.41	138.55
Receivables which have significant Credit Risk	824.52	961.13
	931.93	1,099.68
Allowances for Credit Losses	(824.52)	(961.13)
<b>Sub total</b>	<b>107.41</b>	<b>138.55</b>
<b>Other receivables</b>		
Secured, considered good	-	-
Unsecured, considered good	1,492.12	1,188.65
Receivables which have significant Credit Risk	16.64	19.06
	1,508.76	1,207.71
Allowances for Credit Losses	(16.64)	(19.06)
<b>Sub total</b>	<b>1,492.12</b>	<b>1,188.65</b>
<b>Total Trade Receivables</b>	<b>1,599.53</b>	<b>1,327.20</b>

Note : Refer Note 40

**4 (b) Cash and Cash Equivalents**

Rs. In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Balances with Banks</b>		
- in current accounts	6.95	38.57
- in cash credit accounts	9.25	17.28
- Bank deposits with original maturity less than less than 3 months	-	250.00
<b>Total Cash and Cash Equivalents</b>	<b>16.20</b>	<b>305.85</b>

**4 (c) Other Financial Assets**

Rs. In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
<b><u>Non current</u></b>		
Security Deposits	48.06	31.90
Other Deposits	14.04	12.50
Bank Deposits with more than 12 months maturity and interest accrued thereon	262.05	7.30
<b>Total Other Financial Assets - Non Current</b>	<b>324.15</b>	<b>51.70</b>
<b><u>Current</u></b>		
Security Deposits	8.35	22.46
Other Deposits	1.05	1.49
Interest Accrued on Bank deposits	0.07	6.95
<b>Total Other Financial Assets - Current</b>	<b>9.47</b>	<b>30.90</b>

**4 (d) Other Bank Balances**

Particulars	Rs. In Lakhs	
	As at March 31, 2023	As at March 31, 2022
Balance in Unclaimed Dividend Accounts with Banks	2.34	3.97
Fixed Deposits with maturity between 3 months and 12 months	153.91	454.72
<b>Total other Bank Balances</b>	<b>156.25</b>	<b>458.69</b>

**Note 5: Deferred Tax Assets**

Particulars	Rs. In Lakhs	
	As at March 31, 2023	As at March 31, 2022
Defined Benefit obligations & allowance on payment basis	29.97	39.95
Allowance for doubtful debts - trade receivables	234.01	272.72
Others	16.75	16.53
Depreciation on Property, plant and equipment	-	10.21
Unadjusted Business loss and unabsorbed depreciation	37.60	-
<b>Total deferred tax Assets</b>	<b>318.33</b>	<b>339.41</b>
Depreciation on Property, plant and equipment	2.96	-
<b>Total deferred tax liability</b>	<b>2.96</b>	<b>-</b>
<b>Net deferred tax assets</b>	<b>315.37</b>	<b>339.41</b>
MAT Credit Receivable	231.09	3.28
<b>Total deferred tax assets</b>	<b>546.46</b>	<b>342.69</b>

**Note 6: Other Non Current Assets**

Particulars	Rs. In Lakhs	
	As at March 31, 2023	As at March 31, 2022
Prepayments	8.27	6.06
Tax assets (Net)	253.41	270.81
<b>Total Other Non-Current Assets</b>	<b>261.69</b>	<b>276.87</b>

**Note 7: Inventories**

Particulars	Rs. In Lakhs	
	As at March 31, 2023	As at March 31, 2022
(At lower of cost and net realisable value)		
Raw Materials		
- In Stock	174.94	140.42
Work-in-progress	14.93	40.47
Finished goods		
- In Stock	8.16	13.52
- In Transit	47.03	30.18
Traded goods		
- In Stock	679.03	592.18
- In Transit	52.14	18.52
Spares and Consumables		
- In Stock	358.42	477.52
- In Transit	10.31	1.00
<b>Total Inventories</b>	<b>1,344.96</b>	<b>1,313.81</b>

**Note 8: Other Current Assets**

Rs. In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Prepayments	170.48	398.99
Balance with Excise/Customs/GST input credit	407.41	419.97
Other Receivables	4.80	8.35
<b>Total Other Current Assets</b>	<b>582.69</b>	<b>827.31</b>

**Note 9 (a) : Equity Share Capital****i) Authorised Equity Share Capital**

Rs. In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
<b>4,00,00,000 Equity Shares of Rs 10 each</b> (4,00,00,000 equity shares of Rs 10 each)	4,000.00	4,000.00
<b>Total</b>	<b>4,000.00</b>	<b>4,000.00</b>

**ii. Issued, Subscribed and paid up capital**

Rs. In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
<b>3,63,53,112 Equity Shares of Rs 10 each fully paid up</b>	3,635.31	3,621.26
(March 2022- 3,62,12,612)		
Forfeited Shares	0.06	0.06
<b>Total</b>	<b>3,635.37</b>	<b>3,621.32</b>

**iii. Movements in Equity Share Capital**

Rs. In Lakhs

Particulars	Number of shares	Amount
<b>As at April 1, 2021</b>	2,63,16,372	2,631.70
Exercise of options - proceeds received	27,600	2.76
Issue of Equity on Rights basis	98,68,640	986.86
<b>As at March 31, 2022</b>	<b>3,62,12,612</b>	<b>3,621.32</b>
Exercise of options - proceeds received	1,40,500	14.05
<b>As at Mar 31, 2023</b>	<b>3,63,53,112</b>	<b>3,635.37</b>

**Terms and Rights Attached to Equity Shares**

Equity shares have a par value of INR 10. They entitle the holder to participate in dividends, and to share in the proceeds of winding up the company in proportion to the number of and amounts paid on the shares held.

Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote per share

**Shares Reserved for Issue under Options**

Information relating to ESOP plans of the company, including details of the options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in Note 25.

**iv) Shares in the Company held by each Shareholder holding more than 5 percent of the Shares:**

Name of Shareholder	As at March 31, 2023	As at March 31, 2022
<b>RNAWEP Investments Private Limited</b>		
No of Shares	31,53,054	33,53,054
% Holding	8.7%	9.3%
<b>Ram N Agrawal</b>		
No of Shares	27,13,014	27,13,014
% Holding	7.5%	7.5%
<b>WeP Peripherals Limited</b>		
No of Shares	61,40,886	61,40,886
% Holding	16.9%	17.0%
<b>Wipro Limited</b>		
No of Shares	18,36,000	18,36,000
% Holding	5.1%	5.1%
<b>WeP Solutions India Limited</b>		
No of Shares	30,21,873	30,21,873
% Holding	8.3%	8.3%
<b>Sharad Kanayalal Shah</b>		
No of Shares	25,99,466	25,99,466
% Holding	7.2%	7.2%

**v) Shareholding of Promoters and promoter group at the end of the year**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>WeP Peripherals Limited</b>		
Number of Shares:	61,40,886	61,40,886
Percentage of total shares	16.9%	17.0%
Percentage change during the year	0.0%	50.1%
<b>WeP Solutions India Limited</b>		
Number of Shares:	30,21,873	30,21,873
Percentage of total shares	8.3%	8.3%
Percentage change during the year	0.0%	187.7%
<b>RNAWEP Investments Private Limited</b>		
Number of Shares:	31,53,054	33,53,054
Percentage of total shares	8.7%	9.3%
Percentage change during the year	-6.0%	2.8%
<b>Ram N Agrawal</b>		
Number of Shares:	27,13,014	27,13,014
Percentage of total shares	7.5%	7.5%
Percentage change during the year	0.0%	37.5%
<b>Sarita Agarwal</b>		
Number of Shares:	1,91,568	1,91,568
Percentage of total shares	0.5%	0.5%
Percentage change during the year	0.0%	57.6%

**Note 9 (b) : Reserves and Surplus**

Rs. In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Securities Premium Reserve	1,469.65	1,424.17
Share options outstanding account	76.39	104.01
Capital Reserve	305.46	313.27
General Reserve	69.24	58.09
Retained earnings	205.96	(202.97)
<b>Total Reserves and Surplus</b>	<b>2,126.70</b>	<b>1,696.57</b>

**i) Securities Premium**

Rs. In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	1,424.17	1,418.93
Exercise of Options	45.63	9.75
Rights Issue Expenses	(0.15)	(4.51)
<b>Closing Balance</b>	<b>1,469.65</b>	<b>1,424.17</b>

**ii) Share Options Outstanding Account**

Rs. In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	104.01	112.52
Employee stock options expense	29.16	29.87
Transfer to Securities Premium on exercise of options	(45.63)	(9.75)
Transfer to General Reserve	(11.15)	(28.63)
<b>Closing Balance</b>	<b>76.39</b>	<b>104.01</b>

**iii) Capital Reserve**

Rs. In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	313.27	313.27
Less: stamp duty remittance for merger	7.81	-
<b>Closing Balance</b>	<b>305.46</b>	<b>313.27</b>

**iv) General Reserve**

Rs. In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	58.09	20.60
On account of Merger	-	8.86
Transfer from Stock options outstanding	11.15	28.63
<b>Closing Balance</b>	<b>69.24</b>	<b>58.09</b>

**v) Retained earnings**

Rs. In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	(202.97)	506.60
Dividend	(181.73)	
On account of merger	-	(972.59)
Net profit / (Loss) for the period / year	584.11	259.09
<b>Items of other comprehensive income</b>		
Actuarial Gains/(Losses) net of taxes	6.55	3.93
<b>Closing Balance</b>	<b>205.96</b>	<b>(202.97)</b>

**Note 10 : Financial Liabilities****10 (a) Borrowings**

Rs. In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
<b><u>Non Current</u></b>		
<b>Secured</b>		
<i>From Banks</i>		
Term Loan	34.81	198.55
<b>Total Non Current Borrowings</b>	<b>34.81</b>	<b>198.55</b>
<b><u>Current</u></b>		
<b>Loans Repayable on Demand</b>		
<b>Secured</b>		
<i>From Banks</i>		
Cash Credit Account	138.38	12.70
Current maturities of Long Term Borrowings	164.00	279.68
<b>Unsecured and from related parties</b>		
Loan from WeP Peripherals Limited	-	50.00
<b>Total Current Borrowings</b>	<b>302.38</b>	<b>342.38</b>

i) Cash Credit facilities are secured by hypothecation of Inventories & book debts of the company

ii) Term Loan is repayable in 60 installments. It carries an interest rate of 9.9% p.a. and is secured by -

a) Primary Security: Hypothecation of Devices (Computers Peripherals - on Use and Pay) purchased using the term loan.

b) Collateral Security: Equitable Mortgage of Leashold land situated at Baddi, Himachal Pradesh. The final instalment is payable in Sept 2023

iii) Term loan obtained under ECGLS amounting to Rs 1.79 Crores in December 2020 repayable in 36 monthly instalments commencing from November 2021 . It carries an interest rate of 9.25% and is secured by hypothecation of current assets on second charge basis with 100% credit guarantee by NCGTC. The final instalment is payable in October, 2024

(iv) Loan from WeP Peripherals Limited borrowed by erstwhile subsidiary WeP Digital Services Limited in August 2019 of Rs 30 lacs and Oct 2019 of Rs 20 lacs carries an interest rate of 10.50% per annum and was repayable on the expiry of three years.

v) There is no breach of Loan Agreements.

**10 (b) Trade Payables**

Rs. In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
<b><u>Current</u></b>		
Payables to other than Micro and Small Enterprises	240.31	413.86
Payables to Micro and Small Enterprises	40.90	32.65
<b>Total Trade Payables</b>	<b>281.21</b>	<b>446.51</b>

**10 (c) Other Financial Liabilities**

Rs. In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
<b><u>Current</u></b>		
Customer, Dealer and Other Deposits	137.72	170.45
Capital Creditors	359.24	555.08
Unclaimed Dividend	2.34	3.97
<b>Total Other Current Financial Liabilities</b>	<b>499.29</b>	<b>729.50</b>

**10(d) Lease liabilities**

Rs. In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
<b><u>Non Current</u></b>		
Lease Liability	112.78	113.74
<b>Total Non Current Lease liability</b>	<b>112.78</b>	<b>113.74</b>
<b><u>Current</u></b>		
Lease Liability	81.45	42.65
<b>Total Current Lease liability</b>	<b>81.45</b>	<b>42.65</b>

**Note 11: Provisions**

Rs. In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
<b><u>Non Current</u></b>		
Employee Benefits (Refer Note 24)	26.79	60.48
<b>Total Non Current Provisions</b>	<b>26.79</b>	<b>60.48</b>
<b><u>Current</u></b>		
Employee Benefits (Refer Note 24)	43.45	44.62
Warranty expenses (Refer Note 28)	19.93	14.73
<b>Total Current Provisions</b>	<b>63.37</b>	<b>59.35</b>

**Note 12: Other Liabilities**

Rs. In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
<b><u>Non Current</u></b>		
Income received in advance	0.15	5.26
<b>Total other Non Current Liabilities</b>	<b>0.15</b>	<b>5.26</b>
<b><u>Current</u></b>		
Income received in advance	75.86	145.78
Advance from customers	102.51	40.42
Statutory payables	74.48	62.12
Employee payables	33.96	35.20
Expenses payable	274.57	265.35
<b>Total Other Current Liabilities</b>	<b>561.38</b>	<b>548.87</b>

**Note 13: Revenue from Operations**

Particulars	Rs. In Lakhs	
	For the year April 1, 2022 to March 31, 2023	For the year April 1, 2021 to March 31, 2022
Sale of Products	4,964.22	7,248.52
Sale of Services	4,244.64	3,826.91
Other Operating Revenue	11.48	4.55
<b>Total Revenue from Operations</b>	<b>9,220.35</b>	<b>11,079.98</b>

**Note 14: Other Income**

Particulars	Rs. In Lakhs	
	For the year April 1, 2022 to March 31, 2023	For the year April 1, 2021 to March 31, 2022
Profit on sale of Fixed Assets	6.29	-
Interest on Deposits with banks	20.76	14.70
Other Interest	26.41	10.44
Rental Income	-	1.65
Exchange Gain	32.52	7.63
Miscellaneous Income	15.23	25.17
Credit balances/Provision no longer required written back	38.06	31.74
<b>Total Other Income</b>	<b>139.27</b>	<b>91.33</b>

**Note 15: Cost of Materials Consumed**

Particulars	Rs. In Lakhs	
	For the year April 1, 2022 to March 31, 2023	For the year April 1, 2021 to March 31, 2022
Raw materials/Spares and consumables at the beginning of the year	618.94	610.58
Add : Purchases during the year/period	1,585.81	1,416.50
Less : Closing stocks	543.67	618.94
<b>Total Cost of Material Consumed</b>	<b>1,661.08</b>	<b>1,408.14</b>

**Note 16: Purchase of Stock-in-Trade**

Particulars	Rs. In Lakhs	
	For the year April 1, 2022 to March 31, 2023	For the year April 1, 2021 to March 31, 2022
Purchases of stock-in-trade	3,893.31	5,878.28
<b>Total Purchase of Stock-in-Trade</b>	<b>3,893.31</b>	<b>5,878.28</b>

**Note 17: Changes in Inventories of Work-in-Progress, Stock-in-Trade and Finished Goods**

Rs. In Lakhs

Particulars	For the year April 1, 2022 to March 31, 2023	For the year April 1, 2021 to March 31, 2022
<b>Opening Stock</b>		
Work-in-progress	40.47	26.84
Finished goods	43.71	59.76
Traded goods	610.69	662.53
<b>Total Opening Stock</b>	<b>694.87</b>	<b>749.13</b>
<b>Closing Stock</b>		
Work-in-progress	14.93	40.47
Finished goods	55.19	43.71
Traded goods	731.17	610.69
<b>Total Closing Stock</b>	<b>801.29</b>	<b>694.87</b>
<b>Total Changes in Inventories of Work-in-Progress, Stock-in-Trade and Finished Goods</b>	<b>(106.42)</b>	<b>54.26</b>

**Note 18: Employee Benefit Expenses**

Rs. In Lakhs

Particulars	For the year April 1, 2022 to March 31, 2023	For the year April 1, 2021 to March 31, 2022
Salaries, wages and bonus	760.45	837.26
Gratuity and Leave encashment expense	20.81	10.67
Employee share-based payment expense	29.15	29.87
Contribution to provident and other fund	35.37	40.56
Staff welfare expenses	35.80	36.05
<b>Total Employee Benefit Expenses</b>	<b>881.59</b>	<b>954.41</b>

**Note 19: Other Expenses**

Rs. In Lakhs

Particulars	For the year April 1, 2022 to March 31, 2023	For the year April 1, 2021 to March 31, 2022
Power and fuel	26.57	24.34
Insurance	12.92	9.96
Repairs & Maintenance - Buildings	8.21	5.19
Repairs & Maintenance - IT	129.35	122.74
Rent	30.80	60.34
Rates and taxes	18.48	18.38
Warranty Expenses	12.42	10.69
Carriage and Freight outwards	234.27	221.43
Commission on sales	48.44	40.69
Support Charges	136.52	140.54
<b>Auditors' Remuneration</b>		
for Audit fees	7.75	8.75
for Taxation matters	1.00	1.00
for Reimbursement of expenses	0.21	0.29
for Other Services	0.15	0.05
Advertisement and sales promotion	91.99	126.59
Directors' Commission and Sitting fees	10.82	12.50
Loss on disposal of assets	-	3.50
Travelling and Conveyance	58.61	24.99
Communication Expenses	21.33	21.43
Legal and Professional charges	72.49	46.15
Manpower support service charges	438.93	408.23
Office Maintenance	56.92	50.54
Cloud Expenses	55.16	71.46
Impairment loss recognised/ (reversal) under expected credit loss model	(139.03)	34.49
Bad Debts Write off	176.61	0.68
Recruitment Expenses	10.05	6.25
Bank Charges	12.21	12.69
Miscellaneous expenses	5.59	9.26
<b>Total Other Expenses</b>	<b>1,538.79</b>	<b>1,493.15</b>

**Note 20: Finance Costs**

Rs. In Lakhs

Particulars	For the year April 1, 2022 to March 31, 2023	For the year April 1, 2021 to March 31, 2022
Interest Expenses	75.71	90.58
Other Borrowing costs	11.29	6.24
<b>Total finance Costs</b>	<b>87.00</b>	<b>96.82</b>

**Note 21: Depreciation and Amortisation Expense**

Rs. In Lakhs

Particulars	For the year April 1, 2022 to March 31, 2023	For the year April 1, 2021 to March 31, 2022
Depreciation of property, plant and equipment	839.81	818.81
Amortisation of Right to use assets	89.59	47.42
Amortisation of intangible assets	9.29	44.81
<b>Total Depreciation and Amortisation expense</b>	<b>938.69</b>	<b>911.04</b>

**Note 22: Related Party Transactions****A) List of related parties**

Name of Related Party	Relationship
Ram Narayan Agrawal	Chairman & Non Executive Director
G H Visweswara	Independent Director
A L Rao	Non-executive Director
H V Gowthama	Independent Director
Vandana Malaiya	Independent Director
Shankar Jaganathan	Independent Director
Shruti Agarwal	Independent Director
Ashok Tripathy***	Managing Director & CEO
Sandeep Kumar Goyal	Executive Director & CFO
Sujata Pratik Shaha*	CS & Compliance officer
Yashika Pardasani**	CS & Compliance officer
WeP Solutions India Limited	Promoter group
RNAWEP Investments Private Limited	Promoter group
Elnova Private Limited	Associate of WeP Peripherals Limited
Cimplifyfive Corporate Secretarial Services Pvt. Ltd	Company in which Director is interested
WeP Peripherals Limited	Promoter

\* resigned on 28th Feb 2023

\*\* appointed with effect from 1st March 2023

\*\*\* appointed with effect from 3rd June 2022

**B) Remuneration Paid**

Rs. In Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries and other employee benefits to Executive Directors and Key Management Personnel	160.10	90.81
Share based payment to Executive Directors and Key Management Personnel	3.20	1.87
Sitting fees & Commission to non-executive and independent directors	10.82	12.50

**C) Transaction with other related parties**

Rs. In Lakhs

Transactions	WeP Peripherals Limited	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Rent for building	63.56	44.01
Brand Fee	1.00	2.00
Interest paid	0.41	5.25
	Cimplifyfive Corporate Secretarial Services Pvt. Ltd	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Software Subscription	2.10	2.10
	Elnova Private Limited	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Rent for immovable property	6.55	6.00

**D) Amount due to related parties**

Rs. In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Loan borrowed from WeP Peripherals Limited	-	50.00

**E) Amount due from related parties**

Rs. In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Rent deposit with WeP Peripherals Limited	21.96	21.96

**Note 23 : Revenue from Contracts with Customers****Disaggragate revenue information**

The table below presents disaggregated revenues from contracts with customers and the disaggregation best depicts how the nature, timing and uncertainty of revenue and cash flows are affected by market and economic factors:

Segment	Rs. In Lakhs	
	As at March 31, 2023	As at March 31, 2022
a. Enterprise Business	4,428.16	4,022.74
b. Partner Business	4,792.18	7,057.25
	<b>9,220.35</b>	<b>11,079.98</b>

**Performance Obligations :**

- The performance obligation is satisfied by transferring the promised good or service to a customer and the customer obtains controls over it.
- The Company payment terms range from advance to 60 days.
- The Company earns revenue primarily from Managed Printing Solutions and Services, Manufacturing and Distribution of Retail Billing Products as well as multi-functional printers and providing Digital Services like facilitation of GST return filing etc. to both enterprise and retail customers, across India.
- The Company generally offers Standard warranties of 3 months to 12 months for its products sold.
- The Company has applied the practical expedient given in Ind AS 115 available for performance obligation which is part of contract that has an original expected duration of one year or less with regard to disclosure of remaining performance obligation.

## Note 24 : Employee Benefit Plans

The Company provides to its employees following retirement benefits:

- i) Gratuity
- ii) Leave Accrual

**Leave Accrual:** The Company allows accumulation / encashment of leave. Such accumulation can be utilized by obtaining leave in the subsequent period employment or encashment at the time of separation. The obligation as on the balance sheet date is provided on the basis of actuarial valuation and is Rs 45.86 lakhs (Rs. 51.80 lakhs as on 31st March 2022)

**Gratuity:** The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary for each completed year of service. The company accounts for gratuity benefits payable in the future based on the actuarial valuation and the company has taken out a policy with LIC of India in this regard to mitigate actuarial and liquidity risks.

The following table sets out the amounts recognised in the financial statements for Gratuity

### Principal Actuarial Assumptions

Particulars	As at March 31, 2023	As at March 31, 2022
Salary Escalation	7.00%	7.00%
Discount Rate(per annum)	7.40%	6.90%
Mortality	India Assured Lives Mortality (2012-2014)	India Assured Lives Mortality (2012-2014)

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

Particulars	Rs. In Lakhs	
	As at March 31, 2023	As at March 31, 2022
Present value of Funded defined benefit obligation	62.14	86.46
Fair value of plan assets	(37.76)	(33.17)
<b>Net Liability</b>	<b>24.38</b>	<b>53.29</b>
Non - current	24.38	53.29

### Amount recognized in the profit and loss is as follows

Particulars	Rs. In Lakhs	
	As at March 31, 2023	As at March 31, 2022
Current Service Cost	7.52	9.49
Interest on Defined Benefit Obligation	3.67	4.61
<b>Total</b>	<b>11.20</b>	<b>14.11</b>

### Amount recognised in Other Comprehensive Income

Particulars	Rs. In Lakhs	
	As at March 31, 2023	As at March 31, 2022
Remeasurements during the period due to		
<i>Changes in financial assumptions</i>	(2.07)	(2.61)
<i>Changes in demographic assumptions</i>	0.09	-
<i>Experience adjustments</i>	(5.52)	(4.04)
<i>Actual return on plan assets less interest on plan assets</i>	0.95	1.21
<b>Closing amount recognised in OCI outside statement of profit and loss</b>	<b>(6.55)</b>	<b>(5.44)</b>

**Reconciliation statement**

Rs. In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
<b><u>a) Change in Defined Benefit Obligation</u></b>		
<b>Opening Defined Benefit Obligation</b>	<b>86.46</b>	<b>64.48</b>
Current Service Cost	7.52	9.49
Interest on Defined Benefit Obligation	5.96	5.54
Actuarial Losses / (Gain)		
Remeasurements due to :		
<i>Actuarial loss/(gain) arising from change in financial assumptions</i>	(2.07)	(2.61)
<i>Actuarial loss/(gain) arising from change in demographic assumptions</i>	0.09	-
<i>Actuarial loss/(gain) arising on account of experience changes</i>	(5.52)	(4.04)
Benefits Paid	(30.30)	(8.61)
Acquisition/Transfer adjustment for merger	-	22.21
<b>Closing Defined Benefit Obligation</b>	<b>62.14</b>	<b>86.46</b>
<b><u>b) Change in Fair Value of Assets</u></b>		
<b>Opening Fair Value of Plan Assets</b>	<b>33.17</b>	<b>3.84</b>
Interest on plan assets	2.29	0.93
Remeasurements due to :		-
<i>Actual return on plan assets less interest on plan assets</i>	(0.95)	(1.21)
Contribution by Employer	33.56	27.50
Benefit Paid	(30.30)	(8.61)
Transfer in/(out) -due to merger	-	<b>10.71</b>
<b>Closing Fair Value of Plan Assets</b>	<b>37.76</b>	<b>33.17</b>
<b><u>c) Change in Net Liability / (asset)</u></b>		
Opening net defined benefit liability / (asset)	53.29	60.63
Expense charged to profit & loss account	11.20	14.11
Amount recognised outside profit & loss account	(6.55)	(5.44)
Contribution by Employer	(33.56)	(27.50)
Acquisition/Transfer adjustment for merger	-	<b>11.50</b>
<b>Closing net defined benefit liability / (asset)</b>	<b>24.38</b>	<b>53.29</b>

**Maturity Profile of defined benefit obligations**

Rs. In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
1 year	5.75	20.56
2 to 5 years	25.95	31.82
6 to 9 years	38.87	36.97
10 years and Above	30.92	39.81

### Sensitivity Analysis

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Increase/(decrease) on present value of defined benefits obligation at the end of the year</b>		
<b>50 bps increase in discount rate</b>		
Increase/(decrease) in %	-3.0%	-2.8%
Increase/(decrease) in ₹	(1.85)	(2.43)
<b>50 bps decrease in discount rate</b>		
Increase/(decrease) in %	3.1%	3.0%
Increase/(decrease) in ₹	1.95	2.56
<b>50 bps increase in rate of salary escalation</b>		
Increase/(decrease) in %	2.5%	2.5%
Increase/(decrease) in ₹	1.58	2.18
<b>50 bps decrease in rate of salary escalation</b>		
Increase/(decrease) in %	-2.4%	-2.4%
Increase/(decrease) in ₹	(1.51)	(2.08)

### Note 25 : Employee Stock Option Plan

The Company, from time to time, provides share based payments to its employees. These payments are provided in the form of stock options that can be exercised once the employee has completed specified service term with the Company.

All share based employee payments will be settled in equity. The details of Stock options are provided below:

Particulars	ESOP 2011	ESOP 2016
Date of Shareholders' approval	27th Sep 2011	22nd Sep 2016
Total number of options approved under the scheme	6,00,000	6,00,000
Vesting Schedule		
On completion of 12 months from the date of grant of Options	30% vesting	30% vesting
On completion of 24 months from the date of grant of Options	30% vesting	30% vesting
On completion of 36 months from the date of grant of Options	40% vesting	40% vesting
Exercise Price	Rs.10 per share	Rs.10 per share
Exercise Period	5 years from the date of vesting	5 years from the date of vesting
Option movements during the year		
Options outstanding at the beginning of the year	2,13,200	3,57,000
Options granted during the year	97,000	2,22,000
Options Lapsed & Forfeited during the year	68,000	74,500
Options exercised during the year	29,000	1,11,500
Variations of terms of options	None	None
Money realised by exercise of options(Rs. Lakhs)	2.90	11.15
<b>Total number of options in force as at the end of the year</b>	<b>2,13,200</b>	<b>3,93,000</b>
Vested and available for exercise	46,200	1,28,500
Unvested	1,67,000	2,64,500

### Summary of the status of Options

Particulars	As at March 31, 2023	As at March 31, 2022
Options outstanding at the beginning of the year	5,70,200	3,67,500
Options granted during the year	3,19,000	3,89,000
Options Lapsed & Forfeited during the year	1,42,500	1,58,700
Options exercised during the year	1,40,500	27,600
<b>Total number of options in force as at the end of the year</b>	<b>6,06,200</b>	<b>5,70,200</b>

### Note 26 : Disclosures of dues/payments to Micro, Small and Medium enterprises to the extent such enterprises are identified by the company:

Rs. In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
a. Amount due on account of suppliers as at the end of the accounting year	40.90	32.65
b. Principal amount paid (includes unpaid) beyond the appointed date	NIL	NIL
c. Interest paid during the year;	NIL	NIL
d. Interest payable at the end of the year;	NIL	NIL
e. Interest accrued and unpaid at the end of the accounting year; has not been provided.	NIL	NIL

The information has been given in respect of such vendors to the extent they could be identified as "Micro, Small and Medium" enterprises on the basis of information available with the Company during the year.

### Note 27: Earning Per Share(EPS) computed in accordance with Ind AS 33

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Basic</b>		
Profit/ (Loss) after tax as per accounts (Rs. In Lakhs)	584.11	259.10
Number of Shares issued (Weighted average no.)	3,63,03,870	3,61,95,598
<b>Earning Per Share</b> (of nominal value of equity share of Rs.10/- each)	<b>1.61</b>	<b>0.72</b>
<b>Diluted</b>		
Profit/ (Loss) after tax as per accounts	584.11	259.10
Number of Shares issued (Weighted average no.)	3,67,33,070	3,66,62,368
<b>Earning Per Share</b> (of nominal value of equity share of Rs.10/- each)	<b>1.59</b>	<b>0.71</b>

### Calculation of Weighted average number of shares used as the denominator

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Weighted average number of equity shares used as the denominator in calculating basic earning per share	3,63,03,870	3,61,95,598
<b>Adjustments for calculation of diluted earnings per share</b>		
Stock options	4,29,200	4,66,770
Weighted average number of equity shares used as the denominator in calculating diluted earning per share	<b>3,67,33,070</b>	<b>3,66,62,368</b>

### Note 28 : Warranty

The Company generally offers 3 months to 12 months warranties for its products. Management estimates the related provision for future warranty claims based on historical warranty claim information, as well as recent trends that might suggest that past cost information may differ from future claims. Provision is made for estimated warranty claims in respect of products sold which are still under warranty at the end of the reporting period.

#### Movement in provision during the financial year

Particulars	Rs. In Lakhs	
	Warranty Provisions	
	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Opening Provision</b>	14.73	9.42
Additions during the year	19.93	14.73
Reversal during the year	14.73	9.42
<b>Closing Provision</b>	<b>19.93</b>	<b>14.73</b>

### Note 29 : Contingent Liabilities

Particulars	Rs. In Lakhs	
	As at March 31, 2023	As at March 31, 2022
<b>(i): Claims against the company not acknowledged as debt</b>		
Service Tax	581.29	581.29
<b>Total</b>	<b>581.29</b>	<b>581.29</b>

(ii) The E-Waste (Management) Rules 2022 and the erstwhile E-Waste (Management) Rules 2016 requires the Company to fulfill the Extended Producer Responsibility(EPR) targets which are measured based on sales made in the preceding years, if it is participant in the market during a financial year. Thus, participation in the market in a year constitutes the obligation event. The Rules permit the Company to purchase extended producer responsibility certificate from registered recyclers for the purpose of meeting the EPR targets and it is not practical for the company to estimate the timing of cash outflows, if any, in respect of such purchases in the future.

### Note 30 : Accounting for Leases

The carrying value of the Right of Use assets and changes in the carrying value along with the depreciation are given in Note 2 relating to Property Plant and Equipment. The liabilities in respect of lease are reflected in Note 10(d).

### Note 31 : Segment Reporting

For management purposes, the Company is organised into business units based on its products and services and has two reportable segments, as follows:

- Partners business segment which is into distribution of traded and manufactured products and allied services through the Channel Partners/Dealers.
- Enterprise business segment which serves the Enterprise customers for all their workplace productivity enhancing products and services.

The Company had presented information for three reportable segments namely Printer Business, Managed Printing Solutions business and Digital Services for the financial year ended on 31st March 22. Having regard to the similarities in the types of customers catered to, nature of products and services offered to those customers and commonalities in the method of distribution of such goods and services, the Company has aggregated its reportable segments into two namely Partners Business and Enterprise Business. Accordingly, the figures are presented for the current financial year as well for the previous year.

## Segment Information

Rs. In Lakhs

Particulars	Partner Business		Enterprise Business		Total	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
<b>Revenue</b>						
Net Sales / Income from Operations	4,792.18	7,057.25	4,428.16	4,022.74	9,220.35	11,079.98
Less:- Intersegment Revenue	-	-	-	-	-	-
<b>Segment Revenue</b>	<b>4,792.18</b>	<b>7,057.25</b>	<b>4,428.16</b>	<b>4,022.74</b>	<b>9,220.35</b>	<b>11,079.98</b>
Segment Result before exceptional items, depreciation, interest and tax	(193.60)	(108.29)	1,664.11	1,476.65	1,470.51	1,368.37
Less: Depreciation and amortisation expenses	97.48	82.82	841.20	828.21	938.69	911.04
Segment Result before exceptional items, interest and tax	(291.09)	(191.11)	822.91	648.44	531.82	457.33
Add: Interest Income					20.76	14.70
Less: Finance Cost					87.00	96.82
Profit before exceptional items and tax					465.59	375.21
Less: Exceptionals item					-	-
Profit Before tax					465.59	375.21
Less: Tax Expenses					(118.53)	116.11
<b>Profit After Tax</b>					<b>584.11</b>	<b>259.09</b>
Other Information						
Segment Assets	2,128.80	2,271.58	5,596.88	5,593.86	7,725.67	7,865.44
Segment Liabilities	461.07	442.67	1,165.36	1,563.70	1,626.43	2,006.37
<b>Capital Employed</b>	<b>1,667.72</b>	<b>1,828.91</b>	<b>4,431.52</b>	<b>4,030.17</b>	<b>6,099.24</b>	<b>5,859.08</b>

### Note 32 : Financial Instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet terms that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument is disclosed in Note 1 to the financial statements.

#### (i) Classification of Financial Assets and Liabilities

All financial assets and financial liabilities are valued at amortised cost.

#### (ii) Fair Value Hierarchy

There are no financial assets or liabilities of the Company, which, after their initial recognition, have been fair valued either during the year or in the previous year.

#### (iii) Financial Risk Management Policies and Objectives

The Company, in the course of its business, is exposed to a variety of financial risks, viz., market risk, credit risk and liquidity risk which can adversely impact the financial performance. The Company's endeavour is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance. The Company has a risk management policy that not only covers the foreign exchange risk but also other risks such as interest rate risk and credit risk which are associated with financial assets and liabilities.

## A. Market Risk

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the value of financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

## B. Foreign currency exchange rate risk:

The fluctuations in foreign currency exchange rate may have a potential impact on the statement of profit and loss and equity. This arises from transactions entered in foreign currency and assets/liabilities which are denominated in a currency other than the functional currency of the Company.

The Company imports raw materials, traded goods, consumables etc and such transactions are denominated in US Dollars. The Company does not take major exposure in any other foreign currency. The Company also exports goods which are billed in US dollars. The Company has a hedging policy approved and reviewed by the Board of Directors to mitigate its risks. As part of the hedging policy, the Company concludes forward contracts at regular intervals to mitigate the risk. Details of foreign currency exposure are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Trade Payables (Amount in INR Lakhs)	110.67	109.22
Trade Payables (Amount in USD Lakhs)	1.35	1.44
Trade Receivables (Amount in INR Lakhs)	1.98	1.89
Trade Receivables (Amount in Euro Lakhs)	0.02	0.02

## C. Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk covers both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. Trade receivables constitute the financial instruments that are exposed to credit risk. The Company's policy is to deal only with creditworthy counterparts. The Company management considers that all the financial assets that are not impaired for each of the reporting dates under review are of good credit quality, including those that are past due. None of the Company financial assets are secured by collateral or other credit enhancements.

The Company's exposure to credit risk is limited to the carrying amount of financial assets recognised at the balance sheet date.

**Maturity Profile of Liabilities based on contractual undiscounted payments**

Rs. In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Borrowings-Carrying Amount	337.19	540.93
Contractual Cash flow	337.19	540.93
Within 1 year	302.38	342.38
1 to 5 years	34.81	198.55
> 5 years	-	-
Lease Liabilities- Carrying Amount	217.25	182.86
Contractual Cash flow	217.25	182.86
Within 1 year	95.73	55.13
1 to 5 years	121.52	127.74
> 5 years	-	-
Trade and other payables-Carrying Amount	281.21	446.52
Contractual Cash flow	281.21	446.52
Within 1 year	281.21	446.52
1 to 5 years	-	-
> 5 years	-	-
Other Financial Liabilities- Carrying Amount	499.29	729.50
Contractual Cash flow	499.29	729.50
Within 1 year	499.29	729.50
1 to 5 years	-	-
> 5 years	-	-
Overall-Carrying Amount	1,334.94	1,899.82
Contractual Cash flow	1,334.94	1,899.82
Within 1 year	1,178.61	1,573.53
1 to 5 years	156.33	326.29
> 5 years	-	-

**Note 33: Scheme of Arrangement**

The Board of the Company at its meeting held on 28th December 2020 considered and approved a scheme of amalgamation of its wholly owned subsidiary company, WeP Digital Services Limited with itself pursuant to sections 230 to 232 and other relevant provisions of the Companies Act, 2013 with 1st April 2021 as the appointed date. In pursuance of the same, an application was filed before the National Company Law Tribunal(NCLT) . The NCLT has, vide its order dated 25th March 2022, approved the scheme of amalgamation. The effect for the merger in the accounts was given in the quarter ending March 31, 2022.

The financial statements have been prepared in accordance with the Scheme of Arrangement framed under sections 230 to 232 of the Companies Act, 2013. The amalgamation has been given effect to in the books of accounts as per appendix C of Ind AS-103 governing Business Combinations.

The assets and liabilities taken over as on 1st April 2021, being the appointed date are as follows:

Particulars	Amount in Rs Lakhs
Net Fixed Assets	4.29
Inventories	0.19
Trade Receivables	79.19
Bank Balances & financial assets	5.89
Deferred tax asset	18.66
Other Current Assets	33.68
<b>Total Assets (A)</b>	<b>141.90</b>
Borrowings	50.00
Trade Payables	17.91
Employee Benefits	28.13
Income Received in advance	80.02
Other Liabilities	36.94
<b>Total Liabilities (B)</b>	<b>213.00</b>
<b>Net Assets (A)-(B)</b>	<b>(71.11)</b>

#### Note 34: Note on Deferred tax asset on Carry forward Losses

The Board of the Company had approved a scheme of amalgamation of its wholly owned subsidiary company, WeP Digital Services Limited with itself with 1st April 2021 as the appointed date. The NCLT has, vide its order dated 25th March 2022, had approved the scheme of amalgamation. On account of this merger, the carry forward losses of the subsidiary company were continued and carried forward by the transferee company i.e. WeP Solutions Limited. The company had not created the Deferred tax asset in the previous year. During the current financial year, the Company has utilised the losses and created deferred tax on the balance carried forward.

#### Note 35: Capital Management

The Company's capital management is intended to maximise the return to shareholders for meeting the long-term and short-term goals of the Company through the optimization of the debt and equity balance.

The Company determines the amount of capital required on the basis of annual and long-term operating plans and strategic investment plans. The funding requirements are met through equity and long-term/short-term borrowings. The Company monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

For the purpose of capital management, capital includes issued equity capital, securities premium and all other reserves attributable to the equity shareholders of the Company. Net debt includes all long and short-term <sup>Rs. In Lakhs</sup> borrowings as reduced by cash and cash equivalents. The following table summarises the capital of the Company:

Particulars	As at March 31, 2023	As at March 31, 2022
Debt *	337.18	540.93
Cash and Cash Equivalents	16.20	305.85
Net debt	320.98	235.08
Equity **	5,762.07	5,317.89
Total Capital ( Debt + Equity)	6,083.05	5,552.97
Net Debt to Equity Ratio	0.05	0.04

\* Debt is defined as long-term and short-term borrowings

\*\* Equity includes all capital and reserved of the company that are managed as capital.

**Note 36: Income Tax**

Income Tax Expenses has been allocated as follows:

Rs. In Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Current Tax</b>		
In respect of current year	-	136.44
In respect of prior years	(142.58)	(9.25)
<b>Deferred Tax</b>		
Deferred Tax Impact for the year	24.05	(11.08)
Total income tax gain recognised in the current year relating to continuing operations	(118.53)	116.11
The income tax expense for the year can be reconciled to the accounting profit as follows:		
Profit before tax from continuing operations	465.58	375.21
Income tax expense calculated at 27.82%	129.52	104.38
Adjustments recognised in current year relating to previous years	(142.58)	(9.25)
Effect of other temporary differences now recognised as DTA, net	(108.81)	13.01
Effect of Permanent differences	3.33	7.96
Tax recognised in Profit & Loss Statement	(118.53)	116.11

**Note 37: Information on Dividend for the year ended 31st March 2023**

Dividends proposed or declared after the date of balance sheet but before the financial statements have been approved by the Board of Directors for issue are not recognised as liability on the date of the balance sheet.

The Board of Directors have recommended final dividend of Rs 0.50 per equity share for the financial year ended on 31st March 2023, subject to the approval of the shareholders in the ensuing Annual General Meeting of the Company. (Previous year dividend: Rs 0.50 per equity share)

**Note 38: Ratios**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>a. Current Ratio</b>		
<u>Current Assets</u>	2.07	1.97
Current liabilities		
Percentage of variation	5%	33%
<b>b. Debt-Equity Ratio</b>	0.09	0.13
<u>Total Debt</u>		
Total Equity	-30%	-38%
Percentage of variation		
<i>Reason for variation: During the year the company has reduced the total debt</i>		
<b>c. Debt Service coverage ratio</b>		
<u>Net Profit after tax + Finance costs+ Depreciation and amortisation</u>	4.84	3.02
Finance costs+current maturities of long term borrowing+current lease liabilities		
Percentage of variation	60%	22%
<i>Reason for variation: Profitability of the company improved during the year and this has resulted in improvement in the debt service coverage ratio</i>		
<b>d. Return on equity ratio</b>		
<u>Net Profits after Taxes</u>	10.5%	5.5%
Average Shareholders Equity		
Percentage of variation	90%	304%
<i>Reason for variation: Improvement in profitability during the current year reflected in the change in the ratio</i>		
<b>e. Inventory turnover ratio</b>		
<u>Cost of goods sold</u>	4.10	5.49
Average Inventories		
Percentage of variation	-25%	144%
<i>Reason for variation: Reduction in the share of traded products in the overall sales has resulted in the decline in turnover ratio</i>		
<b>f. Trade receivables turnover ratio</b>		
<u>Revenue from Operations</u>	6.30	8.42
Average Trade receivables		
Percentage of variation	-25%	73%
<i>Reason for variation: Reduction in the share of traded products in the overall sales has resulted in the decline in turnover ratio</i>		
<b>g. Trade payables turnover ratio</b>		
<u>Purchases</u>	15.06	14.48
Average Trade Payables		
Percentage of variation	4%	156%
<b>h. Net capital turnover ratio</b>		
<u>Revenue from Operations</u>	4.80	5.29
Working Capital		
Percentage of variation	-9%	-6%
<b>i. Net Profit ratio</b>		
<u>Net Profit</u>	6.3%	2.3%
Revenue from Operations		
Percentage of variation:	171%	235%
<i>Reason for variation: Profitability of the company improved during the year</i>		
<b>j. Return on capital employed</b>		
<u>EBIT</u>	8.8%	7.8%
Capital Employed = Tangible net worth + Borrowings + Lease liabilities		
Percentage of variation	11.9%	2736%
<b>k. Return on investment</b>	NA	NA

**Note 39: Ageing Schedule for Capital Work in Progress- computer peripherals on use and pay pending deployment**

Rs. In Lakhs

Particulars	As at 31st March 2023	As at 31st March 2022
Less than 1 year	175.40	350.61
1-2 years	0.26	6.33
<b>Total</b>	<b>175.66</b>	<b>356.94</b>

Note: Assets that are not ready for use in the manner as intended by the Management is shown as Capital work in progress and hence completion schedule is not applicable

**Note 40: Ageing schedule for Trade Receivables**

Rs. In Lakhs

Particulars	As at 31st March 2023	As at 31st March 2022
(i) Undisputed Trade Receivables-considered good		
Less than 6 months	1,474.45	1,188.65
6 months to 1 year	85.62	104.81
1-2 years	21.79	33.74

Note: Ageing schedule is presented net of provision for doubtful debts

**Note 41: Ageing schedule for Trade Payables that are due for payment**

Rs. In Lakhs

Particulars	As at 31st March 2023	As at 31st March 2022
(i) MSME		
Less than one year	1.47	1.58
1- 2 years		
2-3 years		
More than 3 years		
<b>MSME Total</b>	<b>1.47</b>	<b>1.58</b>
(ii) Others		
Less than one year	65.71	13.74
1- 2 years	0.28	1.34
2-3 years	0.04	0.24
More than 3 years	1.67	1.52
<b>Others Total</b>	<b>67.70</b>	<b>16.83</b>
(iii) Disputed Dues-MSME		
Less than one year	5.23	-
1- 2 years	-	-
2-3 years	-	-
More than 3 years	-	-
<b>Disputed Dues- MSME Total</b>	<b>5.23</b>	<b>-</b>
(iii) Disputed Dues-Others		
Less than one year	-	-
1- 2 years	-	-
2-3 years	-	-
More than 3 years	-	-
<b>Disputed Dues- Others Total</b>	<b>-</b>	<b>-</b>
(iv) Not Due		
MSME	34.20	31.07
Others	172.61	397.03
<b>Not Due -Total</b>	<b>206.81</b>	<b>428.10</b>
	<b>281.21</b>	<b>446.51</b>

**Note 42: Additional disclosure pursuant to schedule III of Companies Act 2013**

1. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property
2. The Company does not have any transactions/ balances with companies struck off under section 248 of Companies Act, 2013 to the best of knowledge of Company's management.
3. The Company has not traded or invested funds in Crypto currency of Virtual currency
4. The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall
  - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
  - b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
5. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understating (whether recorded in writing or otherwise) that the Company shall:
  - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
6. The Company has not declared wilful defaulter by any bank of financial institution of other lender.
7. The Company does not have any such transaction which is not recorded in books of account that has been surrendered or disclosed as income during the year in the tax assessments (such as, search or survey or any other relevant provisions) under Income Tax Act, 1961.
8. The Company is in compliance with the requirement of Section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.
9. Disclosure as per section 186 of Companies Act 2013: The details of loans, guarantees and investments under section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:
  - (i) There are no investments made by the Company
  - (ii) There are no loan given by the Company and guarantees issued as at March 31, 2023"

**Note 43:** Previous Year figures have been regrouped / rearranged wherever necessary to conform to the current year presentation.

As per our report attached

**For Guru & Jana**

Chartered Accountants

ICAI Firm Registration No.006826S

**Heena Kauser A P**

Partner

Membership No.219971

**Place: Bengaluru**

**Date : 20th May 2023**

**For and on behalf of the Board of Directors of WeP Solutions Limited**

**H V Gowthama**

Director

DIN: 00250122

**Sandeep Kumar Goyal**

Executive Director & CFO

DIN:03023842

**Place: Bengaluru**

**Date : 20th May 2023**

**Ashok Tripathy**

Managing Director & CEO

DIN: 09564236

**Yashika Pardasani**

Company Secretary



**Together, we embrace the challenges, celebrate progress and propel towards an inspiring horizon. Wepsol's journey continues, and with it, our commitment to excellence and evolution.**