



WeP Solutions Limited

CIN: L72200KA1995PLC025617

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

NOTICE OF POSTAL BALLOT

(Pursuant to Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014)

Dear Member(s),

Notice is hereby given to the Shareholders, pursuant to Section 110 of the Companies Act, 2013 (**the "Act"**) and other applicable provisions, if any, of the Companies Act, 2013, read together with Companies (Management and Administration) Rules, 2014 (including any statutory modifications, amendments or re-enactments thereof for the time being in force) (**the "Rules"**), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (**the "Listing Regulations"**) and other applicable laws and regulations (including any statutory modification or re-enactment thereof for the time being in force) that the Special Resolution appended below is proposed to be passed by the Shareholders by way of Postal Ballot/Voting by electronic means (**"e-voting"**). The explanatory statement pertaining to the said resolution setting out the material facts and the reasons thereof is annexed hereto along with the Postal Ballot Form (**the "Form" or the "Postal Ballot Form"**).

In terms of Section 110 of the Companies Act, 2013 read with the relevant Rules and the Listing Regulations (including any statutory modification or re-enactment thereof for the time being in force), the Company is pleased to extend e-voting facility as an alternative to facilitate wider participation in the approval process by the Shareholders residing at different locations. The Company has appointed M/s. Karvy Computershare Private Limited to provide e-voting facility to its members.

Vinay B L, Practicing Company Secretary who is not in the employment of the Company and is in the opinion of the Board, capable of conducting the postal ballot process in a fair and transparent manner, has been appointed as the Scrutinizer ("the Scrutinizer") for conducting the Postal Ballot process.

Shareholders desiring to exercise their votes by Postal Ballot are requested to carefully read the instructions printed on the Form and return the same in original, duly completed, in the attached self-addressed postage-prepaid envelope so as to reach the Scrutinizer by **5.00 PM on Tuesday, 24th January 2017**. Your assent / dissent received after **Tuesday, 24th January 2017** would be strictly treated as if a reply from you has not been received.

The Scrutinizer shall submit his report to the Company after completion of the scrutiny of the Postal Ballot Forms and after verifying the voting as per data received from the e-voting portal. The result of voting by the Postal Ballot (i.e. through the Postal Ballot Form and e-voting) shall be announced on or before **Thursday, 26th January 2017** and will be displayed on the website of the Company at www.wepsolutions.co.in. The result of the Postal Ballot shall be communicated to Bombay Stock Exchange (BSE) Limited. In addition, the results will also be published in the newspapers for information of the Shareholders.

The following special business is proposed to be passed by Postal ballot/E-voting:

ITEM NO. 1 - ISSUE OF EQUITY SHARES ON A PREFERENTIAL BASIS

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

"RESOLVED THAT pursuant to the provisions of Sections 42 and 62, and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) (hereinafter referred to as the **"Act"**) read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, the provisions of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2009, as amended (**"SEBI (ICDR) Regulations"**), the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended (**"SEBI Takeover Regulation"**) the provisions of Foreign Exchange Management Act, 1999 and the rules and regulations framed thereunder, and the provisions of all other applicable laws, rules and regulations, guidelines, circulars, notifications, if any, the enabling provisions of the Memorandum of Association and the Articles of Association of the Company and the Listing Agreement entered into with the Stock Exchange where the shares of the Company is listed, and subject to the requisite approvals, permissions or consents, if any, of the Central Government, Reserve Bank of India, Stock Exchanges, SEBI and any other appropriate regulatory authorities under any other applicable laws, rules and regulations for the time being in force (**"Regulatory Authorities"**) in this regard and further subject to such terms, conditions, stipulations and modifications as may be prescribed, imposed or suggested by any of the Regulatory Authorities while granting such approvals, permissions or consent as may be necessary or which may be agreed to, by the Board of Directors of the Company (hereinafter referred to as **"the Board"** which expression shall include any Committee constituted/ to be constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution) and subject to such terms, conditions and modifications as the Board may in its discretion impose or agree to, the consent and approval of the Shareholders be and is hereby accorded to the Board, to create, issue/offer and allot up to **20,00,000 (Twenty Lakhs) Equity Share** of the Company of the **Face Value of Rs. 10/- (Rupees Ten Only)** each (**"Equity Shares"**) at a **price of Rs. 50/- (Rupees Fifty**

Only) (including a **premium of Rs. 40/- (Rupees Forty Only)** per Equity Share aggregating to **Rs. 10,00,00,000/- (Rupees Ten Crores Only)** in accordance with SEBI (ICDR) Regulations, to the proposed allottees on preferential basis on such terms and conditions, including payment of monies as may be approved or finalized by the Board. The details of the proposed allottees are as mentioned below:

Sr. No	Details of Proposed Allottee	Category	Number of Equity Shares	Consideration (Rs.)
1	Sharad Kanayalal Shah	Non-Promoter – Resident Individual	10,00,000	5,00,00,000
2	Dipak Kanayalal Shah	Non-Promoter – Resident Individual	10,00,000	5,00,00,000

“RESOLVED FURTHER THAT in accordance with the provisions of SEBI (ICDR) Regulations, the **“Relevant Date”** for the purpose of determination of the minimum price of the Equity Shares to be issued and allotted as above shall be **Friday, 23rd December 2016** being the date falling 30 (thirty) days prior to the date of the last date of voting of Postal Ballot being **Tuesday, 24th January 2017.**”

“RESOLVED FURTHER THAT in accordance with Regulation 74(1) of the SEBI (ICDR) Regulations, the Equity Shares shall be issued and allotted by the Company to the proposed allottees, in dematerialised form, within a period of **15 (Fifteen) days** from the date of passing of this resolution, provided that where the allotment of the said Equity Shares is pending on account of pendency of any approvals by any regulatory authority or the Central Government, the allotment shall be completed within a period of 15 (Fifteen) days from the date of such approval.”

“RESOLVED FURTHER THAT the Equity Shares to be offered, issued and allotted pursuant to this resolution shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari-passu with the existing equity shares of the Company in all respects.”

“RESOLVED FURTHER THAT the Company hereby takes note of the Certificate from the Statutory Auditors of the Company certifying that the above issue of the Equity Shares is being made in accordance with the SEBI (ICDR) Regulations.”

“RESOLVED FURTHER THAT the Equity Shares to be issued and allotted shall be subject to lock-in as stipulated under the SEBI (ICDR) Regulations.”

“RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue, allotment of the Equity Shares, the Board of Directors and the Company Secretary, be and are hereby jointly and severally authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary and desirable for such purpose, including without limitation, preparing, signing, executing, and filing applications with the appropriate authorities for obtaining requisite approvals for the issuance of the Equity Shares, as may be required, issuing clarifications on the issue and allotment of the Equity Shares, resolving any difficulties, effecting any modifications, changes, variation, alterations, additions and/or deletions to the foregoing conditions as may be required by any regulator, or other authorities or agencies involved in or concerned with the issue of the Equity Shares and as the Board may in its absolute discretion deem fit and proper in the best interest of the Company without being required to seek any further consent or approval of the members or otherwise.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the resolution, the Board be and is hereby authorized to engage / appoint such agencies/persons, as may be required and as permitted by law.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the resolution, the Board be and is hereby authorized to delegate any or all of the powers conferred upon it by this resolution to any committee of directors, any other director(s), and/or officer(s) of the Company.”

Place : Bangalore
Date : 23rd December 2016

By Order of the Board
For WeP Solutions Limited

Ram N Agarwal
Chairman & Managing Director

NOTES:

1. An explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of the special business is annexed hereto.
2. This Postal Ballot Notice is being sent to the members, whose names appear in the Register of Members/Record of Depositories as on **Friday, 16th December 2016**. Accordingly, the members whose names appear in the Register of Members / Record of Depositories as on **Friday, 16th December 2016**, will be considered for the purpose of voting.
3. Voting rights shall be reckoned on the paid up value of shares registered in the name of the Members as on **Friday, 16th December 2016**.
4. The dispatch of the Postal Ballot Notice and the Explanatory Statement shall be announced through an advertisement in at least 1(one) English newspaper and at least 1(one) Kannada newspaper, each with wide circulation in Bangalore, where the Registered Office of the Company is situated and published on the Company’s website www.wepsolutions.co.in
5. The Board of Directors, at their meeting held on **Friday, 23rd December 2016**, has appointed **Vinay B L, Practicing Company Secretary, Bangalore as Scrutinizer** for conducting the Postal Ballot/Voting by electronic means in a fair and transparent manner.

6. The Members are requested to carefully read the instructions printed in the attached Postal Ballot Form. If you are voting through Physical Form, the Postal Ballot Form, duly completed and signed, should be returned in the enclosed self-addressed postage pre-paid envelop directly to the Scrutinizer so as to reach the Scrutinizer **before 5.00 P.M. on Tuesday, 24th January, 2017**. Any Postal Ballot received **after Tuesday, 24th January, 2017** shall be treated as if reply from the member has not been received.
7. **E-VOTING:** In compliance with the provisions of Section 108, 110 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (LODR) Regulations, 2015, the Company is pleased to provide e-voting facility for the members to enable them to cast their vote electronically. Members have option to vote either through e-voting or through the Postal Ballot Form. If a member has opted for e-voting, then he/she should not vote through Postal Ballot and vice-versa.
8. The e-voting period commences on **Monday, 26th December 2016 (9.00 A.M)** and ends on **Tuesday, 24th January 2017 (5.00 P.M)**. During this period shareholder of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. **Friday, 16th December 2016**, may cast their vote electronically in the manner and process set out herein above. The e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
9. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of **Friday, 16th December 2016**. Any person who is in receipt of this notice but is not a member as on the cut-off date i.e **Friday, 16th December 2016** should treat this notice for information purpose only.
10. The Results shall be declared on or before **Thursday, 26th January, 2017**. The Results declared along with the Scrutinizer's Report shall be informed to BSE Limited and shall also be placed on the Company's website www.wepsolutions.co.in and on the website of Karvy - <https://evoting.karvy.com>
11. Members may also note that this notice will be available on the Company's website: www.wepsolutions.co.in. Relevant documents referred to in the Notice and the accompanying Statement are open for inspection by the members at the Registered Office of the Company on all working days, during business hours up to the **last date of Voting of Postal Ballot i.e. Tuesday, 24th January, 2017**.
12. The procedure and instructions for remote e-voting are as follows:
 - A. Open your web browser during the voting period and navigate to <https://evoting.karvy.com>.
 - B. Enter the login credentials (i.e., user-id and password) mentioned on the e-voting form. Your folio/DP Client ID will be your User-ID.
 - I. User – ID:
 - a. For Members holding shares in Demat Form :
 - i. For NSDL - 8 Character DP ID followed by 8 Digit Client ID.
 - ii. For CDSL – 16 Digit beneficiary ID.
 - b. For Members holding shares in Physical Form:
Event Number followed by Folio Number registered with the Company.
 - II. Passwords / PIN : Your unique password is printed separately or sent via e-mail and forwarded through the electronic notice.
 - III. Captcha : Enter the Verification Code i.e. please enter the alphabets and numbers in the exact way as they are displayed for security reasons.
 - C. If you are already registered with KCPL for e-voting then you can use your existing user ID and password / PIN for casting your vote.
 - D. Members can cast their vote online from **Monday, 26th December 2016 (9.00 A.M) to Tuesday, 24th January 2017 (5.00 P.M)**.
 - E. After entering these details appropriately, click on "LOGIN".
 - F. Members holding shares in DEMAT/Physical form will now reach Password Change menu wherein they are required to mandatorily change their password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character.
 - G. Kindly note that this password can be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-voting through KCPL e-Voting platform. The system will prompt you to change your password and update any contact details like mobile #, email ID etc. on 1st login.
 - H. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - I. You need to login again with the new credentials.
 - J. On successful login, system will prompt to select the 'Event' i.e. 'Company Name'.
 - K. If you are holding shares in DEMAT form and had logged on to <https://evoting.karvy.com> and casted your vote earlier for any Company, then your existing login id and password are to be used.
 - L. On the voting page, you will see 'Resolution Description' and against the same the option 'FOR/AGAINST/ABSTAIN' for voting. Enter the number of shares (which represents number of votes) under 'FOR/AGAINST/ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST' but the total number in 'FOR/AGAINST' taken together shall not exceed your total shareholding. If the member does not want to cast vote, select 'ABSTAIN'.
 - M. After selecting the resolution you have decided to vote on, click on "SUBMIT." A confirmation box will be displayed. If you wish to confirm your vote, click on 'OK', else to change your vote, click on 'CANCEL' and accordingly modify your vote.
 - N. Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
 - O. Corporate / Institutional Members (Corporate /FIs/FIIs/Trust/ Mutual Funds/Banks etc.) are required to send scan (PDF) File of the relevant Board Resolution to the Scrutinizer through e-mail vinay@vinaybl.com with a copy to evoting@karvy.com and investor@wepsol.in. The file name should be in the format 'Corporate Name_Event No.'
 - P. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual available at the "download" section of <https://evoting.karvy.com> or contact M/s. Karvy Computershare Pvt. Ltd. on 1800 345 4001 (toll free).

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013

Item No 1: Issue of Equity Shares on Preferential Basis

The following disclosure is made in accordance with the provisions of Chapter VII of SEBI (ICDR) Regulations for the preferential issue:

I. Objects of the preferential issue and details of utilization of proceeds:

The Company has been shortlisted as a GST Suvidha Provider (GSP) by the Goods and Services Tax Network (GSTN) pursuant to their announcement on their website, subject to the further process of signing the final agreement with GSTN. Towards this the Company has developed in-house and demonstrated to GSTN its suite of solutions on its manufactured product range of "Billing Printers" and Android based Tablet Device.

GST is slated to be introduced in India either from 1st April 2017 or a date prior to September 2017. The Company applied for becoming GSP and as of 8th December 2016 the Company is one of the 34 Companies shortlisted for this purpose pending signing necessary agreement with GSTN and statutory authorities.

The Company is already selling a large portion of its printers, products, services to shops and commercial establishments across all states of India. The Company will be in a position to roll out services as a GSP to the existing as well as new set of Customers of the Company. As GST will cover entire Country, the Company will also have to enhance its presence and ability to service all across states and union territories of India. While the exact scope and nature of services to be provided by GSP is yet to be decided by the Government, it is expected that a substantial amount of investment will be required by a GSP in order to serve its customers.

Given the large and varied potentialities arising from becoming a GSP, the company is focussed on making itself a pan India Digital Services Provider which will include providing Digital services related to Aadhaar, GST, e-Sign services, Payment services etc. This will require additional investments in developing and creating the requisite infrastructure and also for acquisitions, strategic alliances and other corporate purposes.

The current MPS business of the company is growing consistently, requiring additional capital investment in form of printers, other allied equipment and software for acquiring new customers and orders.

Further, the company plans to invest for growing and expanding the Document Management Solutions business through its wholly owned subsidiary, M/s eRM Solutions Private Limited.

In addition to the above, the proceeds shall be utilised for enhancing its long term sources and thereby strengthening the financial structure of the company and for general corporate purposes and purposes permitted by applicable laws.

The above aspects as well as other related activities will involve substantial investment by the Company and hence this resolution to raise additional equity on preferential basis.

II. Intention of the promoters/directors/key management personnel to subscribe to the offer:

None of the Promoter/ Directors/Key Managerial Personnel of the Company would be subscribing to the Preferential Issue of Equity Shares proposed to be issued by the Company.

III. Type and number of Security Offered:

The total number of shares or other securities to be issued **20,00,000 (Twenty Lakhs) Equity Shares** of the Company of the Face Value of **Rs. 10/- (Rupees Ten Only)** each ("Equity Shares") at a price of **Rs. 50/- (Rupees Fifty Only)** (including a **premium of Rs. 40/- (Rupees Forty Only)** per Equity Share **aggregating to Rs. 10,00,00,000/- (Rupees Ten Crores Only)**

Terms of Issue of the Equity Shares, if any.

The Equity Shares allotted in terms of this resolution shall rank pari passu with existing equity shares of the Company in all respects.

IV. Relevant Date:

In accordance with Regulation 71(a) of SEBI (ICDR) Regulations, the "**relevant date**" for the purpose of calculating the price of the Equity Shares will be **Friday, 23rd December 2016** being the date falling 30 (thirty) days prior to the date of the last date of voting of Postal Ballot being **Tuesday, 24th January 2017**. (The Relevant Date falls on Sunday, 25th December 2016 and 24th December 2016 being Saturday i.e. Weekend, hence the Company has taken Friday, 23rd December 2016 as the Relevant Date preceding the date of weekend).

V. Pricing of Preferential Issue:

The price of equity shares to be issued is fixed at **Rs. 50/- (Rupees Fifty Only)** per equity share which is not less than the price determined in terms of Regulation 76 of the SEBI (ICDR) Regulations.

Basis on which the price has been arrived at:

The Company is listed on BSE Limited and the equity shares of the Company are frequently traded in accordance with Regulation 71A of the ICDR Regulations.

In terms of SEBI (ICDR) Regulations, the equity shares shall be allotted at a price not less than higher of the following:

a. Average of the weekly high and low of the volume weighted average prices of the equity shares of the Company quoted on the stock exchange, during the twenty six weeks preceding the Relevant Date;
or

b. Average of the weekly high and low of the volume weighted average price of the equity shares of the Company quoted on the stock exchange, during the two weeks preceding the Relevant Date;

Accordingly, price per Equity Share of Rs. 50/- per Equity Share is higher than the price of Rs. 35.68/-, which has been calculated in accordance with the above provisions.

Since the equity shares of the Company have been listed on the recognized stock exchange for a period of more than 26 weeks prior to the Relevant Date, the Company is not required to re-compute the price per equity share.

VI. The name of the proposed allottees, the identities of the persons who are the ultimate beneficial owners of the shares and/ or who ultimately control the proposed allottees, the percentage of post preferential issue capital that may be held by them and change in control, if any

Sr. No	Name of Investors	No. Equity Shares Proposed to be allotted	Category	Pre-Issue Shareholding	% of Pre-Issue Shareholding	Post-Issue Shareholding	% of Post-Issue Shareholding
1	Sharad Kanayalal Shah	10,00,000	Non-Promoter – Resident Individual	4,12,035	1.79	14,12,035	5.64
2	Dipak Kanayalal Shah	10,00,000	Non-Promoter – Resident Individual	2,60,553	1.13	12,60,553	5.03

The pre issue and post issue shareholding pattern of the Company

Sr. No	Category	Pre-Issue*		Post-Issue	
		No. of Shares held	% of Shareholding	No. of Shares held	% of Shareholding
A	Promoters' Holding				
1	Indian				
	Individual	36,67,149	15.91	36,67,149	14.64
	Bodies Corporate	61,35,861	26.61	61,35,861	24.49
	Sub-Total	98,03,010	42.52	98,03,010	39.13
2	Foreign Promoter	0	0	0	0
	Sub-Total - A	98,03,010	42.52	98,03,010	39.13
B	Non-Promoters' Holding				
1	Institutional Investors	0	0	0	0
2	Non-Institution				
	Private Corporate Bodies	26,47,395	11.48	26,47,395	10.57
	Indian Public	92,42,795	40.09	1,12,42,795	44.87
	Others (Including NRIs)	13,61,272	5.91	13,61,272	5.43
	Sub-Total - B	1,32,51,462	57.48	1,52,51,462	60.87
	Grand Total (A+B)	2,30,54,472	100.00	2,50,54,472	100.00

Note: * As on Friday, 16th December 2016.

VII. Proposed time within which the allotment shall be completed:

As required under the SEBI (ICDR) Regulations, the Company shall complete the allotment of equity shares as aforesaid on or before the expiry of 15 days from the date of passing of the special resolution by the shareholders granting consent for preferential issue or in the event allotment of equity shares would require any approval(s) from any regulatory authority or the Central Government, within 15 days from the date of such approval(s), as the case may be.

VIII. No. of persons to whom allotment on preferential basis has already been made during the year, in terms of number of securities as well as price:

During the year, no preferential allotment has been made to any person.

IX. Change in control, if any, in the Company that would occur consequent to the preferential offer:

There shall be no change in management or control of the Company pursuant to the issue of the equity shares.

X. The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer: Not Applicable

XI. Lock in period:

The proposed allotment of the equity shares shall be subject to a lock-in as per the requirements of Regulation 78 of the SEBI (ICDR) Regulations.

XII. Auditors certificate:

M/s. N.M. Rajji and Co, Chartered Accountants, Mumbai, Statutory Auditors of the Company, have certified that the preferential issue is being made in accordance with the requirements contained in the SEBI (ICDR) Regulations.

Relevant documents are open for inspection by the members at the Registered Office of the Company on all working days, during business hours up to the last date on which the postal ballot/e-voting closes.

The Board of Directors of the Company believe that the proposed preferential issue is in the best interest of the Company and its members. The Board of Directors, therefore, recommends the resolution for your approval.

None of the Directors, Key Managerial Personnel and their relatives is concerned or interested in the resolution, except as holders of shares in general or that of the companies, firms, and/or institutions of which they are directors, partners or members and who may hold shares in the Company

Place : Bangalore

Date : 23rd December 2016

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

**Ram N Agarwal
Chairman & Managing Director**



WeP Solutions Limited

CIN: L72200KA1995PLC025617

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

POSTAL BALLOT FORM

Reg. Folio No./DP Id No./Client Id No.	
No. of Shares held	
Name and Address of the First Shareholder (IN BLOCK LETTERS)	
Name of the Joint holder (if any)	

I/we hereby exercise my/our vote in respect of the Special Resolution to be passed through Postal Ballot as specified in the Notice dated **Friday, 23rd December, 2016** by conveying my/our assent/dissent to the said Resolution by placing tick (✓) mark in the appropriate box below:

Sr. No	Description	Type of Resolution	No. of Shares	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
1	Issue of Equity Shares on Preferential Basis	Special Resolution			

Place: Bangalore

Date:

Signature of the Member

