

SOLVE PLASTIC PRODUCTS LTD

(Formerly known as "Solve Plastic Products Pvt Ltd")



NOTICE

Notice is hereby given that the 29th Annual General Meeting of the members of Solve Plastic Products Limited will be held on **Friday the 16th day of August 2024 at 11:00 A.M** at the Corporate Office- 2nd FLOOR BALCO BUILDING, XXIX/456 POWERHOUSE WARD, THOLICODE, KOLLAM, PATHANAPURAM, KERALA, INDIA, 691333 of the company to transact the following business:

Ordinary Business

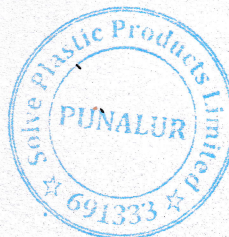
1. To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution

RESOLVED THAT the Audited Balance Sheet & statement of Profit and Loss Account for the financial year ended March 31, 2024 along with the Auditor's Report and the Directors' Report as circulated to the shareholders and laid before the meeting, be received, considered and adopted.

2. To appoint R G N PRICE & CO, FRN 002785S, Chartered Accountants as Statutory Auditors of the Company.

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

"RESOLVED THAT pursuant to the provisions of Section 139, Section 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 recommendations of the Audit Committee, R G N PRICE & CO, FRN 002785S, Chartered Accountants be and are hereby appointed as Statutory Auditors of the Company for a term of five years to hold office from the conclusion of 29th Annual General Meeting till the conclusion of 34th Annual General Meeting on such remuneration plus taxes and reimbursement of out of pocket expenses as may be incurred by them in connection with audit of accounts of the Company, as may be mutually agreed upon between the Board of Directors and the Statutory Auditors.



www.balcopipes.com info@balcopipes.com 0475 2223867 | +9162 3535 0000 | +91 80 891 467 11

Corporate Office Address : Solve Plastic Products Ltd, 2nd Floor, Balco Building, XXIX/456, Powerhouse Ward, Tholicode P.O, Punalur, Kollam - 691333
Registered office address : Solve Plastic Products Ltd., Door no XIII/690/ABC Tholicode, Punalur, NA, Kollam, Kerala, India, 691333.

FACTORIES AT : PUNALUR | EDAMON | KANNUR | SHENKOTTAI

CIN : U25209KL1994PLC008231

SOLVE PLASTIC PRODUCTS LTD

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RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to settle any question, difficulty or doubt, that may arise and to do all such acts, deeds and things as may be necessary, proper or expedient for the purpose of giving effect to this Resolution"

For and on behalf of
SOLVE PLASTIC PRODUCTS LIMITED

Divya A
Company Secretary

Place: Punalur
Date: 22/07/2024



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Notes:-

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote on a poll on his behalf and the proxy need not be a member. The proxy forms duly completed, stamped and signed must be deposited at the registered office of the company not less than 48 hours before the meeting.
2. Proxies submitted on behalf of limited companies, societies etc must be supported by an appropriate resolutions/authority, as applicable. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.



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EXPLANATORY STATEMENTS U/S. 102 OF THE COMPANIES ACT, 2013: REASON OF PASSING OF RESOLUTION

None of the Directors, Key Managerial Personnel and their relatives are in any way concerned or interested in the said resolution. The relevant documents are available for inspection by the members during working hours at registered office of the company.

For and on behalf of
SOLVE PLASTIC PRODUCTS LIMITED

Divya A
Company Secretary

Place: Punalur
Date: 22/07/2024



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FACTORIES AT : PUNALUR | EDAMON | KANNUR | SHENKOTTAI

CIN : U25209KL1994PLC008231

DIRECTOR'S REPORT

To the Members,

Your directors are pleased to present the 29th Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2024.

1. Financial Results

The Company's financial performance for the year under review along with previous year's figures is given hereunder:

PARTICULARS	(Amount in Lakhs)	
	March 31, 2024	March 31, 2023
Revenue from operations	4,619.13	6,077.17
Other Income	96.60	148.26
Total Income	4,715.73	6,225.43
Operating and Administrative expenses	4,349.58	5,880.88
Operating Profit Before Finance Costs, Depreciation and Tax	366.15	344.55
Depreciation and Amortization expenses	77.06	82.70
Profit before finance costs, exceptional items and tax	289.09	261.85
Finance Costs	144.43	138.27
Exceptional / Extra ordinary Items	-	-
Profit Before Tax	144.66	123.58
Provision for Tax (Including Deferred Tax)	2.18	3.31
Profit after Tax	142.48	120.27
Earnings per share	4.65	3.96

2. Business Review and Performance Highlights

a. Performance Highlights

During the year under review company has total revenue of ₹ 4715.73 lakhs as against the previous year revenue of ₹ 6225.43 lakhs which shows a decrease of 24%. The decrease is mainly due to deflation of 19% in raw material prices and passing on the same to the market. Even though sales has declined, profit before tax increased by 17% in comparison to previous year and stood at ₹144.66 Lakhs, the net profit after tax of the company stood at ₹ 142.48 Lakhs as compared to previous year figure of 120.27 Lakhs. The company could achieve better profitability due to improved and better operational efficiencies.

During the year under review, your company has introduced new product "Storewell" Water Tanks to the product basket. Your Company did product improvisation by introducing automated socketing in our Electric Conduits and also installed Automated Bending machines and in the process of Automated online Printing System.

During the year under review, your company has decided to expand its business to South India in addition to its existing business in Kerala and started operating in parts of Tamil Nadu and South Karnataka.



b. Operating And Administrative Expenses

The Operating Expenses was ₹ 4,349.58 Lakhs during FY 2023-24, as compared to previous year figures of ₹ 5,880.88 Lakhs. The decrease in expenditure is due to decrease in raw material prices and increased operational efficiencies.

c. Depreciation And Amortization Expenses

The depreciation Expenses of ₹ 77.06 Lakhs during FY 2023-24, as compared to previous year figures of ₹ 82.70 lakhs

d. Finance Cost

The finance cost of ₹ 144.43 Lakhs incurred during the year, as compared to ₹138.26 in the previous year.

e. Total Profit After Tax

The net profit after tax of the company for FY. 2023-24 is ₹ 142.47 lakhs as compared to previous year FY 2022-23 ₹ 120.26 lakhs. The company has achieved an increase of 18% in profitability.

f. Transfer To Reserves

The Board of Directors have decided to retain the entire amount of profit for financial year 2023-24 to support the capital expenditure of ₹180.14 Lakhs for increased productivity during the financial year. The total balance in Reserves and Surplus as on 31-03-2024 stood at ₹132.16 Lakhs.

3. Share Capital

The Authorized Share Capital of the company remained unchanged at ₹ 700 Lakhs and issued and paid-up capital increased by ₹ 3.12 Lakhs and stood ₹ 306.62 Lakhs. During the year on 19th July 2023 the company had issued and allotted 31250 additional equity shares of ₹10 each at a price of ₹ 332/- with premium of ₹ 322 per share (based on the valuation by Registered Valuer) to one of the existing shareholder Mr. Balakrishnan Nair.

During the year under review, your Company has neither issued any shares with differential voting rights nor has granted any stock options or sweat equity.

During the year under review, your company has decided to raise additional capital thru Initial Public Offer under NSE Emerge. The proposed issue is 13,02,000 equity shares of ₹10 each at an issue price of ₹ 91 to an issue size of ₹ 1184.82 Lakhs, diluting 29.81 % (post issue) shares to the public. The company intends to increase the capacity of its Electric Conduits and to introduce HDPE pipes.

The Company has appointed M/s Finshore Management Services Limited as Lead Manager for the IPO process and M/s. Integrated Registry Management Srevics Pvt Ltd as Registrar to issue.

4. Dividends

The Board of Directors of your company, after considering holistically the relevant circumstances and keeping in view the Company's performance and future growth aspects, has decided not to recommend any Dividend for the year under review.

5. Material Changes and Commitments:

There are no material changes and commitments affecting the financial position of the Company between the end of financial year of the company and the date of this report.



6. Fixed Deposits

During the year under review, your Company has not accepted any fixed deposits within the meaning of Section 73 of the Companies Act, 2013, read with rules made there under.

7. Directors Responsibility Statement.

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its Responsibility Statement to the effect that:

(i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(ii) the directors had 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;

(iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(iv) the directors had prepared the annual accounts on a going concern basis; and

(v) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

8. Related Party Transactions:

During Financial Year 2023-24, all contracts/arrangements/transactions entered into by the Company with related parties under Section 188(1) of the Act were in the ordinary course of business and on an arm's length basis. The Company has entered into material contracts or arrangements or transactions with related parties in accordance with Section 188 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014.

Form AOC 2 attached as **Annexure 2**

9. Auditors & Auditors' Report

a. Auditors

M/s. RANJITH KARTHIKEYAN ASSOCIATES LLP, Chartered Accountants Trivandrum, are the statutory auditors of the company to audit the books of accounts for the year 2023-24. These auditors will continue to hold office from the conclusion of ensuing AGM to be held this year till the conclusion of the Annual General Meeting to be held in the year 2024 on a remuneration as fixed by the Board in consultation with them and are eligible for re-appointment. The appointment of new Auditors will be placed at the next annual general meeting of the company for approval by members.

b. Auditors' Report

In the opinion of the directors, the notes to the accounts in auditor's report are self-explanatory and adequately explained the matters, which are dealt with by the auditors. There were no qualifications, reservations or adverse remarks made by the Auditors in their report. The provisions relating to submission of Secretarial Audit Report is not applicable to the Company.



c. Secretarial Report

Not applicable as on 31st March 2024

10. Corporate Governance

Your Company has been complying with the principles of good Corporate Governance over the years and is committed to the highest standards of compliance and will adhere to further compliance as and when applicable.

11. Disclosures

a. Number of Board Meeting

The Board of Directors met 09 (Nine) times during the year under review. The details of Board meetings and the attendance of the Directors are provided in the Corporate Governance Report (**Annexure 3**) which forms part of this Report.

b. Committees of Board

Details of various committees constituted by the Board of Directors, as per the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, are given in the Corporate Governance Report (**Annexure 3**) and forms part of this report.

c. Extract of Annual Return

The details forming part of the extract of the Annual Return in Form MGT-7 (**Annexure 1**) are uploaded on the website of the company at www.balco Pipes.com under investor section.

d. Vigil Mechanism / Whistle Blower Policy

The Company has adopted a whistle blower policy and has established the necessary vigil mechanism for employees and Directors to report concerns about unethical behaviour. No person has been denied access to the Chairman of the Audit Committee.

e. Particulars of Loans, Guarantees or Investments

No loans, guarantees or investments under Section 186 of the Companies Act, 2013 were granted.

f. Significant and Material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status and the Company's future operations.

g. Conservation of energy, technology absorption, foreign exchange earnings and 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 4** and is attached to this report.

h. Listing and Dematerialization

We were in the process of Dematerializing the shares as on 31st March 2024 and converted all the shares into Demat form by June 2024.

i. Corporate Social Responsibility u/s.135 of the Companies Act 2013

CSR activity is not applicable to the company as on 31st March 2024.

12. Acknowledgement

Your directors place on records their appreciation for assistance and co-operation received from various Ministries and Department of Government of India and other State Governments, financial institutions; banks, shareholders of the Company etc. The management would also like to express great appreciation for the commitment and contribution of its employees for their committed services. Your directors wish to place on record their sincere appreciation for the dedicated efforts and consistent contribution made by the employees at all levels, to ensure that the Company continues to grow and excel.

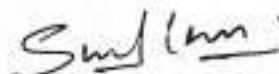
Your directors also wish to take this opportunity to place on record their gratitude and sincere appreciation for the timely and valuable assistance and support received from Bankers, Share Transfer Agents, Auditor, Customers, Suppliers and Regulatory Authorities. The Board values and appreciates the valuable committed services of the employees towards performance of your Company, without which it would not have been possible to achieve all round progress and growth. Your directors are thankful to the shareholders for their continued patronage.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

SOLVE PLASTIC PRODUCTS LIMITED



SUDHEER KUMAR B
MANAGING DIRECTOR
DIN: 00858893



SUSIL BALAKRISHNAN NAIR
WHOLE TIME DIRECTOR
DIN: 00949872

Date: 22/07/2024

Place: Punalur



Annexure - I
FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2024
Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the
Company (Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U25209KL1994PLC008231
2.	Registration Date	04/10/1994
3.	Name of the Company	SOLVE PLASTIC PRODUCTS LIMITED
4.	Category/Sub-category of the Company	COMPANY LIMITED BY SHARES INDIAN NON-GOVERNMENT COMPANY
5.	Address of the Registered Office & Contact details Corporate Office	DOOR NO XIII/690/ABCTHOLICODE PUNALUR, KOLLAM, Kerala, India, 691333 2nd FLOOR BALCO BUILDING, XXIX/456 POWERHOUSE WARD, Tholicode, Kollam, Pathanapuram, Kerala, India, 691333
6.	Whether listed company	NO
7.	Name, Address & Contact details of the Registrar & Transfer Agent, if any.	INTEGRATED REGISTRY MANAGEMENT SERVICES (P) LTD

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10.00 % or more of the total turnover of the company shall be stated)

Sl. No.	Name and Description of main products/services	NIC Code of the Product/servic	% to total turnover
1.	To establish and run factories and other centres for the production and distribution of items made of plastic and poly vinyl chloride for industrial, domestic and other applications.	99610000	100

* As per National Industrial Classification 2008 - Ministry of Statistics and Programme Implementation.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and address of the company	CIN/GLN	Holding/ subsidiary/ Associate	% of shares held	Applicable Section

N I L

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding:-

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a)	NIL	2027380	2027380	66.8		2178630	2178630	71.05	4.25
b) Central	-	-	-	-	-	-	-	-	-
c) State	-	-	-	-	-	-	-	-	-
d) Bodies	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other...	-	-	-	-	-	-	-	-	-
Sub-total (A)(1):-	NIL	2027380	2027380	66.8		2178630	2178630	71.05	4.25
(2) Foreign									



a) NRIs-	-	-	-	-	-	-	-	-	-
b) Other	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
Sub-total	NIL	2027380	2027380	66.8		2178630	2178630	71.05	4.25
Total Shareholding of Promoters (A) = A(1) + A(2)	NIL	2027380	2027380	66.8		2178630	2178630	71.05	4.25
B. Public Shareholding									
1.									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital	-	-	-	-	-	-	-	-	-
i) Others	-	-	-	-	-	-	-	-	-
Sub-total	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	52180	52180	1.72	-	52180	52180	1.70	-0.02
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	955440	955440	31.48	-	835440	835440	27.25	-4.23
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	1007620	1007620	33.2	-	887620	887620	28.95	-4.25



Total Public Shareholding (B)=(B)(1)+(B)(2)	NIL	1007620	1007620	33.2	-	887620	887620	28.95	-4.25
C. Shares held by Custodian for GDRs &									
Grand Total (A+B+C)	NIL	3035000	3035000	100	NIL	3066250	3066250	100	-

(ii) Shareholding of Promoters:-

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	
1	Sudheer	1786750	58.87	-	1786750	58.27	-	-0.60
2	Susil Kumar B	177860	5.86	-	177860	5.80	-	-0.06
3	Balakrishnan Nair	62770	2.07	-	94020	3.07	-	1.00
4	Govind V	-	-	-	50000	1.63	-	1.63
5	Aravind S	-	-	-	40,000	1.30	-	1.30
6	Shankar S	-	-	-	30,000	0.98	-	0.98
	TOTAL	2027380	66.80	-	2058630	71.05	-	4.25

Note: Promoters of the Company as on March 31, 2024 has been considered for the above disclosure.

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

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	2027380	66.80%	2027380	66.8%
	Increase/Decrease in Promoters Shareholding during the year.	151250	4.25%	151250	4.25%
	At the end of the year	2178630	71.05%	2178630	71.05%

(iv) Shareholding Pattern of Top Ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs): - NIL -

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Vinod Kumar B	4,00,000	13.18	4,00,000	13.05



2	Sunitha B Nair	75,440	2.49	75,440	2.46
3	Rajan Nair.G	25000	0.82	75000	2.45
4	Devi R	50000	1.65	50000	1.63
5	Gowri R	50,000	1.65	50,000	1.63
6	Nandini R	50,000	1.65	50,000	1.63
7	Malavika	45,000	1.48	45,000	1.47
8	Usha.R	25,000	0.82	25,000	0.82
9	Akhila.S.Kumar	20000	0.82	20000	0.82
10	Aswin.S.Kumar	20000	0.66	20000	0.65

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Sudheer Kumar B	1786750	58.87	1786750	58.27
2	Susil Kumar B	177860	5.86	177860	5.80
3	Balakrishnan Nair	62770	2.07	94020	3.07
4	Govind V	50000	1.65	50000	1.63
5	Aravind S Kumar	40,000	1.32	40,000	1.30
6	Shankar S Kumar	30,000	0.99	30,000	0.98
7	Keshav Mohan	-	-	-	-
8	Deepthi Santhakumary	-	-	-	-
9	Narayana Kurup Asokan	-	-	-	-
10	Biju Divakaran Nair	-	-	-	-
11	Dinesh Chandran	-	-	-	-
12	Suresh K Pillai	-	-	-	-
13	Prasad Kizhakkematta Ppallil	-	-	-	-
14	Divya A	-	-	-	-

V. INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	12,22,01,986	0	-	12,22,01,986
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	12,22,01,986	0	-	12,22,01,986
Change in Indebtedness during the financial year				
* Addition	1,38,53,883.00	-	-	1,38,53,883.00
* Reduction	1,19,17,253.85	0	-	1,19,17,253.85



Net Change		0		
Indebtedness at the end of the financial year-				
i) Principal Amount	12,40,80,941.15	0	-	12,40,80,941.15
ii) Interest due but not paid	-	-	-	
iii) Interest accrued but not due	-	-	-	
Total (i+ii+iii)	12,40,80,941.15	0	-	12,40,80,941.15

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:

Sl No	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
		Sudheer Kumar	Rs. 11,66,732/-
		Susil Kumar	Rs. 3,02,600/-
	Gross salary	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961 - Bonus	Sudheer Kumar	15,000
		Susil Kumar	15,000
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as % of profit - others, specify...	-	-
5	Others, please specify:	Sudheer Kumar	9000
		Susil Kumar	9000
	Total (A)	-	Rs.
	Ceiling as per the Act	N.A.	N.A.



B. REMUNERATION TO OTHER DIRECTORS**- NIL -**

Sl No	Particulars of Remuneration	Name of Directors			Total Amount
1	Independent Directors				-
	Fee for attending board and committee meetings				-
	Commission				-
	Others, please specify				-
	Total (1)				-
2	Other Non-Executive Directors	Balakrishna N Nair	Rs.11,24,660/-		Rs.11,24,660/-
	Fee for attending board meetings		Rs. 8000/-		Rs. 8000/-
	Commission		Rs. 15,000/-		Rs. 15,000/-
	Others, please specify;				-
	Total (2)				-
	Total (B)=(1+2)				-
	Total Managerial Remuneration				-
	Overall Ceiling as per the Act				-

* Total managerial Remuneration being A+B

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD
- N I L -

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary	-	92,195	9,05,276	9,97,471
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	- as % of profit				
	Others, specify...				
5	Others, please specify				
	Total		92,195	9,05,276	9,97,471

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:There were no penalties/punishments/compounding of offences for the year ending 31st March 2024.

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	Nil				
Punishment					
Compounding					



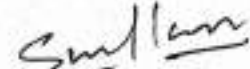
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

For and on behalf of
SOLVE PLASTIC PRODUCTS LIMITED



SUDHEER KUMAR B
MANAGING DIRECTOR
DIN: 00858893

Date: 22/07/2024
Place: Punalur



SUSIL BALAKRISHNAN NAIR
WHOLE TIME DIRECTOR
DIN: 00949872



ANNEXURE -2
Form AOC - 2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

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

(a)	Name(s) of the related party and nature of relationship	NIL
(b)	Nature of contracts / arrangements / transactions	NIL
(c)	Duration of the contracts / arrangements/transactions	NIL
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	NIL
(e)	Justification for entering into such contracts or arrangements or transactions	NIL
(f)	date(s) of approval by the Board	NIL
(g)	Amount paid as advances, if any	NIL
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	NIL

2 a. Details of material contracts or arrangement or transactions at arm's length basis

(a)	Name(s) of the related party and nature of relationship	GBN Associates- LLP (Promoter Group)
(b)	Nature of contracts/arrangements/transactions	
	(i) Contract Labour Charges	Rs. 86,62,066/-
(c)	Duration of the contracts / arrangements / transactions	Annual
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	NIL
(e)	Date(s) of approval by the Board, if any	-
(f)	Amount paid as advances, if any	NIL

b. Details of material contracts or arrangement or transactions at arm's length basis

(a)	Name(s) of the related party and nature of relationship	ASK Agencies – Proprietorship concern of Director – Mr Susil Kumar's spouse. (Promoter Group)
(b)	Nature of contracts/arrangements/transactions	
	(i) Purchase of goods (Fittings)	Rs. 56,09,864/-
	(ii) Sale of goods	Rs. 4,05,03,177 /-
(c)	(iii) Rent	NIL
(d)	Duration of the contracts / arrangements / transactions	
(e)	Salient terms of the contracts or arrangements or transactions including the value, if any	NIL
(f)	Date(s) of approval by the Board, if any	
(g)	Amount paid as advances, if any	NIL



C. Details of material contracts or arrangement or transactions at arm's length basis

(a)	Name(s) of the related party and nature of relationship	Solve Plastics Products - Proprietorship concern of Managing Director
(b)	Nature of contracts/arrangements/transactions	
	(i) Purchase	Rs. 9,59,571/-
	(ii) Rent paid	Rs. 72,00,000/-
	(iii) Sales	Rs. 6,119/-
	(iv) Lease Rent Income	Rs. 50,000/-
(c)	Duration of the contracts / arrangements / transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	NIL
(e)	Date(s) of approval by the Board, if any	
(f)	Amount paid as advances, if any	NIL

D. Details of material contracts or arrangement or transactions at arm's length basis

(a)	Name(s) of the related party and nature of relationship	Souparnika Enterprises
(b)	Nature of contracts/arrangements/transactions	
	(i) Sales	Rs. 3,87,072/-
(c)	Duration of the contracts / arrangements / transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	NIL
(e)	Date(s) of approval by the Board, if any	
(f)	Amount paid as advances, if any	NIL



Annexure 3 Corporate Governance Report

1. Company's Philosophy on Corporate Governance:

We believe that by focusing on Corporate Governance, we practice the highest standards of ethical and responsible business culture and thereby enhance the value of all stakeholders. It is a combination of voluntary practices and compliance with laws and regulations in all areas of its operations and in its interactions with the stakeholders. It provides direction and control to the affairs of the Company.

Your Company is fully committed to practice sound Corporate Governance and uphold the highest business standards in conducting business. The Company has always worked towards building trust with all its stakeholders based on the principles of good corporate governance. Your Company is guided by a key set of values for all its internal and external interactions. The Company is open, accessible and consistent with its communication.

2. Board Of Directors:

The Board provides strategic guidance and independent views to the Company's senior management while discharging its fiduciary responsibilities. The Board also provides direction and exercises appropriate control to ensure that the Company is managed in a manner that fulfils stakeholder's aspirations and societal expectations.

A. Composition of The Board

The Company has a balanced board with optimum combination of Executive and Non-Executive Directors, including independent professionals, which plays a crucial role in Board processes and provides independent judgment on issues of strategy and performance.

The Board of Directors and Key managerial Persons of your Company details are as follows:

SL NO	Name of Director/KMP	Designation	Date of Appointment
1	Sudheer Kumar Balakrishnan Nair	Managing Director	04/10/1994
2	Susil Balakrishnan Nair	Whole Time Director	04/10/1994
3	Balakrishnan Nair	Non-Executive Director	15/02/2006
4	Deepthi Santhakumary	Non-Executive Director	06/01/2024
5	Keshav Mohan	Non-Executive Director	06/01/2024
6	Govind Vinodkumar	Executive Director	06/01/2024
7	Aravind Sudheer Kumar	Executive Director	06/01/2024
8	Shankar Sudheer Kumar	Executive Director	06/01/2024
9	Narayana Kurup Asokan	Independent Director	06/01/2024
10	Suresh K Pillai	Independent Director	12/03/2024
11	Biju Divakaran Nair	Independent Director	12/03/2024
12	Dinesh Chandran	Independent Director	12/03/2024
13	Prasad Kizhakkematta Ppallil	CFO	06/01/2024
14	Divya A	CS	09/03/2024

During the year the Board of the Company had undergone sever changes, Four Independent Directors, Three Executive, one CFO, One CS were appointed on the Board.

Further there was change in Designation of two Directors Ms Deepthi Santhakumary and Mr Keshav Mohan who were appointed as Independent Director on 06th January 2024, subsequently changed to Non-Executive Directors on the Board meeting held on 09th March 2024, both the Directors were related parties and cannot pursue as independent Directors.

Disqualifications of directors-NIL



The names and categories of the Directors, their attendance at Board meetings and General Meeting and also position held by them in committees of other public limited companies as on 31st March 2024 are given below.

Name of Director	Designation	Board Meeting held During tenure of Director	Board Meeting Attended	Last AGM Attend or Not
Sudheer Kumar Balakrishnan Nair	Managing Director	09	09	Yes
Susil Balakrishnan Nair	Whole Time Director	09	09	Yes
Balakrishnan Nair	Non-Executive Director	09	08	Yes
Deepthi Santhakumary	Non-Executive Director	01	01	-
Keshav Mohan	Non-Executive Director	01	01	-
Govind Vinodkumar	Executive Director	01	01	Yes
Aravind Sudheer Kumar	Executive Director	01	01	Yes
Shankar Sudheer Kumar	Executive Director	01	01	Yes
Narayana Kurup Asokan	Independent Director	01	01	-
Suresh K Pillai	Independent Director	-	-	-
Biju Divakaran Nair	Independent Director	-	-	-
Dinesh Chandran	Independent Director	-	-	-

B. Code of Conduct

The code of conduct and other policies adopted by the Company are updated under the investor category. www.balcopipes.com.

C. Committees of The Board

The Board Committees play a vital role in ensuring sound Corporate Governance practices. The Committees are constituted to handle specific activities and ensure speedy resolution of diverse matters. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The minutes of the meetings of all the Committees are placed before the Board for review. As on date the Board has established the following Committees:

- A. Audit Committee
- B. Nomination and Remuneration Committee
- C. Share Transfer Committee /Investor Grievance Committee

A. Nomination and Remuneration Committee

The Company on the Board meeting held on 09th March 2024 constituted of Nomination and Remuneration Committee under Section 178(1) of Companies Act 2013. The following are the list of members of the committee.

Name of the Director	Status in Committee	Nature of Directorship
Narayana Kurup Asokan	Chairman	Independent Director
Keshav Mohan	Member	Non-Executive Director
Deepthi Santhakumary	Member	Non-Executive Director
Suresh K Pillai	Member	Independent Director

Divya A	Secretary	-
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B. Composition of Audit Committees.177(8)

The Company on the Board meeting held on 09th March 2024 had constituted an Audit Committee with the following members

Name of the Director	Status in Committee	Nature of Directorship
Narayana Kurup Asokan	Chairperson	Independent Director
Biju Divakaran Nair	Member	Independent Director
Sudheer Kumar	Member	Managing Director
Divya A	Secretary	-

C. Composition of Stakeholder Relationship Committee.178

The Company on the Board meeting held on 09th March 2024 had constituted Stakeholder relationship Committee with the following members

Name of the Director	Status in Committee	Nature of Directorship
Keshav Mohan	Chairperson	Non-Executive Director
Suresh K Pillai	Member	Independent Director
Shankar Sudheer Kumar	Member	Executive Director
Divya A	Secretary	-



ANNEXURE-4

Conservation of energy, Technology absorption and foreign exchange earnings and Outgo

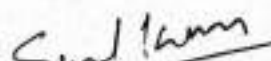
(A)	Conservation of energy-	Remarks
(i)	the steps taken or impact on conservation of energy;	The Company has been taking all positive efforts for Conservation of energy.
(ii)	the steps taken by the company for utilizing alternate sources of energy;	The Company is in the initial process of installation of Solar Energy in one of the manufacturing unit.
(iii)	the capital investment on energy conservation equipments;	Appx. ₹ 55 Lakhs. (Quotes are being invited)
(B)	Technology absorption-	
(i)	the efforts made towards technology absorption;	Has undertaken efforts to absorb the best available technology for the manufacture of PVC Products.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution;	Our electric conduits are converted from plain ended pipes to automated socket ended pipes towards product improvement.
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	NOT APPLICABLE
	(a) the details of technology imported;	NOT APPLICABLE
	(b) the year of import;	NOT APPLICABLE
	(c) whether the technology been fully absorbed;	NOT APPLICABLE
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	NOT APPLICABLE
(iv)	the expenditure incurred on Research and Development.	NOT APPLICABLE
(C)	Foreign exchange earnings and Outgo-	NOT APPLICABLE
	The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.	NOT APPLICABLE

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

SOLVE PLASTIC PRODUCTS LIMITED



SUDHEER KUMAR B
MANAGING DIRECTOR
DIN: 00858893
Date: 22/07/2024
Place: Punalur



SUSIL BALAKRISHNAN NAIR
WHOLE TIME DIRECTOR
DIN: 00949872



INDEPENDENT AUDITORS' REPORT

To

The Members of SOLVE PLASTIC PRODUCTS LIMITED
(*Erstwhile known as Solve Plastic Products Private Limited*), THOLICODU, PUNALUR

Report on the audit of the Interim financial statements

Opinion

We have audited the accompanying Special Purpose Standalone financial statements of SOLVE PLASTIC PRODUCTS LIMITED, THOLICODU, PUNALUR ("the Company"), which comprise the balance sheet for the interim period as at March 31, 2024, and the Statement of Profit and Loss and statement of cash flows for the year period, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its Profit and cash flows for the for the period.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 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.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report, Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

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

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

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's responsibility for the financial statements

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The board of directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2.
3. (A) As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The balance sheet, the statement of profit and loss, and the cash flow statement dealt with by this report are in agreement with the books of account;
 - (d)
 - (e) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014, as amended from time to time;



(f) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

(g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".

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

- a. The company has disclosed the impact of pending litigation on its financial position in Note No.25.3 of the financial statements;
- b. The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- c. There has no amount which were required to be transferred to the Investor Education and Protection Fund by the company

d. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts,

(i) The management, as explained in Note no. 25.8 has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds 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(s) or entity(ies), including foreign entities ("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;

(ii) The management, as explained in Note no.25.9 has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities("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; and

(iii) Based on such audit procedure, that we 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) contain any material mis-statement.

e. The Company has not declared or paid any dividends during the year and hence reporting under this clause is not applicable.



- f. The applicability of the clause on usage of accounting software is deferred to financial years commencing on or 1st April 2023 vide companies (Audit and Auditors) Second Amendment Rule, 2021 dated 1st April 2021.

[C) With respect to the matter to be included in the Auditors' Report under Section 797(16) of the Act, in our opinion and according to the information and explanations given to us, the limit prescribed by section 197 for maximum permissible .

For Ranjit Karthikeyan Associates LLP
Chartered Accountants
Firm Registration No. 006705S



CA Jayaprakash D, B.Com FCA
Partner
Membership No. 533736
UDIN : 24533736BKABVC5364
Place : Trivandrum
Date : 22/07/2024

Annexure "A" to the Independent Auditor's Report

[Referred to in paragraph 1 under 'Report on other legal and regulatory requirements' section of our report to the members of SOLVE PLASTIC PRODUCTS Limited of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

1. a) In our opinion and according to the information and explanations given to us, the Company is maintaining proper records showing full particulars, including quantitative details and situation of property, plant and equipment and intangible assets.
- b) The property, plant and equipment of the Company were physically verified by the management during the year. According to the information and explanations given to us and as examined by us, no material discrepancies were noticed on such verification.
- c) In our opinion and according to the information and explanations given to us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

In respect of immovable properties given as collateral for loans from banks and financial institutions, the title deeds were deposited with the said banks/ financial institutions and the Company has obtained a confirmation from the said banks that the title deeds are in the name of the Company.

In respect of immovable properties of land and building that have been taken on lease and disclosed as property, plant and equipment in the financial statements, the lease agreements are in the name of the Company.

- d) The Company has not revalued its property, plant and equipment (including right of use asset) during the year. Accordingly, paragraph 3 (i) (d) of the Order is not applicable.
 - e) In our opinion and according to the information and explanations given to us, there are no proceedings initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
2. a) The inventories have been physically verified by the management during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such verification.
 - b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. However, the company file any quarterly returns or statements with such banks or financial institutions.



3. During the year, the company has not made any investments in or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties other than those given in the normal course of business. Accordingly, none of the sub clauses under this heading are applicable.
4. In our opinion and according to information and explanation given to us, the Company has not made investments in/ provided any guarantee or security/ granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties. Accordingly, paragraph 3 (iii) of the Order is not applicable.
- In our opinion and according to information and explanation given to us, in respect of loans, investments, guarantees and security, the Company has complied with the provisions of sections 185 and section 186 of the Companies Act, 2013.
5. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits to which the provisions of section 73 to 76 of the companies Act and rules made there under applies.
6. The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the activities of the company and accordingly paragraph 3 (vi) of the order is not applicable.
7. In our opinion and according to the information and explanations given to us:
- a) Amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been generally regularly deposited by the Company with the appropriate authorities.
 - b) No undisputed amounts payable in respect of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.
 - c) There are no statutory dues referred to in sub-clause (a), which have not been deposited on account of dispute.
8. In our opinion and according to the information and explanations given to us, there are no transactions not recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
9. a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- b) In our opinion and according to the information and explanations given to us, the Company is not declared as a wilful defaulter by any bank or financial institution or other lender.



- c) In our opinion and according to the information and explanations given to us, the term loans obtained during the year were applied for the purpose for which they were availed.
 - d) In our opinion and according to the information and explanations given to us, funds raised on short term basis have not been utilised for long term purposes.
 - e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures
 - f) In our opinion and according to the information and explanations given to us, the company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
10. a) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3 (x) (a) of the Order is not applicable.
- b) In our opinion and according to the information and explanations given to us, the Company has made private placement of shares during the year. the same is in accordance with section 42 of the companies act Order funds raised, have been used for the purposes they were raised .
11. a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by any person has been noticed or reported during the year. Accordingly, paragraph 3 (xi) (a) of the Order is not applicable.
- b) Since there is no fraud by the Company or no material fraud on the Company by any person has been noticed or reported during the year, paragraph 3 (xi) (b) of the Order is not applicable.
- c) To the best of our knowledge and according to the information and explanations given to us, no whistle-blower complaints, have been received by the Company during the year.
12. The Company is not a Nidhi Company and accordingly, Paragraphs 3 (xii) of the Order is not applicable.



13. In our opinion and according to the information and explanations given to us, the transactions with the related parties are in compliance with section 177 and 188 of the Act. Where applicable, the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. a) In our opinion and based on our examination, the company is not required to have an internal audit system as per provision of the Companies Act 2013
- b) Since the company is not required to have an internal audit system as per provision of Companies Act 2013, reporting under this clause on whether the internal audit report was considered by the statutory auditor is not applicable
15. In our opinion and according to the information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3 (xv) of the Order is not applicable.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and hence this clause is not applicable to the Company.
17. The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
18. There has been no resignation of the statutory auditors during the year. Accordingly, paragraph 3 (xviii) of the Order is not applicable.
19. In our opinion and according to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the board of directors and management plans, there exist no material uncertainty as on the date of the audit report that Company is 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, however, state that this is not an assurance as to the future viability of the company. We further state that 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.



20. a) The company does not have any unspent amount towards CSR and hence reporting under this clause is not applicable.
- b) The company does not have any unspent amount towards CSR and hence reporting under this clause is not applicable.
21. In our opinion and according to the information and explanations given to us, the Company does not have investments in subsidiaries/ associates or joint venture companies. Accordingly, paragraph 3 (xxi) of the Order is not applicable.

For Ranjit Karthikeyan Associates LLP
Chartered Accountants
Firm Registration No.006705S



CA. Jayaprakash D, B.Com FCA
Partner
Membership No. 533736
UDIN : 24533736BKABVC5364
Place: Trivandrum
Date : 22/07/2024



Annexure “B” to the Independent Auditor’s Report

[Referred to in paragraph 2 (f) under ‘Report on other legal and regulatory requirements’ section of our report to the Members of SOLVE PLASTIC PRODUCTS Limited of even date]

Report on the internal financial controls over financial reporting 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 SOLVE PLASTIC PRODUCTS Limited (“the Company”) as at March 31, 2024, 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 board of directors of the Company 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, 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.

Auditors’ responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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”) issued by the Institute of Chartered Accountants of India and the standards on auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 were 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 in the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial control 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 (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) 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 authorisations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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 of 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 and according to the information and explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, 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 Ranjit Karthikeyan Associates LLP

Chartered Accountants

Firm Registration No.006705S



CA. Jayaprakash D, B.Com FCA

Partner

Membership No. 533736

UDIN : 24533736BKABVC5364

Place: Trivandrum

Date: 22/07/2024

SOLVE PLASTIC PRODUCTS LIMITED
THOLICODE PO, PUNALUR
CIN : U25209KL1994PLC008231
BALANCE SHEET AS AT 31-03-2024

(Amount in thousands)


Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	1	30,662.50	30,350.00
(b) Reserves and surplus	2	13,216.44	-11,093.84
(2) Non-current liabilities			
(a) Long-term borrowings	3	31,117.59	29,255.49
(b) Long term Provisions	4	7,432.08	7,044.52
(3) Current liabilities			
(a) Short-term borrowings	5	92,963.35	92,946.50
(b) Trade payables :			
(i) Total outstanding dues of micro & small enterprises	6	2,418.79	2,943.94
(ii) Total outstanding dues of creditors other than micro and small enterprises		22,932.98	9,933.40
(c) Other current liabilities	7	12,864.25	19,333.24
(d) Short-term provisions	8	7,545.31	6,713.97
TOTAL		2,21,153.30	1,87,427.21
II. ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment and Intangible assets			
(i) Property, Plant and Equipment	9.i	50,685.95	49,377.38
(ii) Intangible assets	9.ii	1,906.77	2,065.32
(iii) Capital Work in progress	9.iii	8,931.85	
(b) Deferred tax assets (net)		11,426.86	11,644.84
(c) Other non-current assets	10	4,857.54	3,918.87
(2) Current assets			
(a) Inventories	11	76,163.22	66,919.49
(b) Trade receivables	12	50,539.97	41,192.70
(c) Cash and cash equivalents	13	96.80	86.10
(d) Short-term loans and advances	14	12,727.63	6,974.10
(e) Other current assets	15	3,816.71	5,248.43
TOTAL		2,21,153.30	1,87,427.21


Notes to accounts and other explanatory statements form 24-25 part of accounts

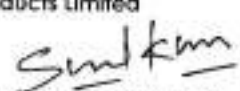
This is the Balance Sheet referred to in our report of even date

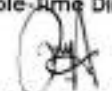


For Solve Plastic Products Limited


B. Sudheer Kumar
 (Managing Director)


Prasad Kizhakkemattai Ppalil
 (Chief Financial Officer)


Susil Balakrishnan Nair
 (Whole-Time Director)


Divya Ajithakumari
 (Company Secretary)
 (Membership No: A68200)

For **RANJIT KARTHIKEYAN ASSOCIATES LLP**
CHARTERED ACCOUNTANTS


CA. D. Jayaprakash FCA
 (Membership No: 533736)
 Partner



Place: Punalur
 Date: 22-07-2024

UDIN: 24533736BKABVC5364

SOLVE PLASTIC PRODUCTS LIMITED
THOLICODE PO, PUNALUR
CIN : U25209KL1994PLC008231
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2024

(Amount in thousands)

Particulars		Note No.	For The Year Ended March 31, 2024	For The Year Ended March 31, 2023
I	Revenue from operations	16	4,61,913.17	6,07,717.11
II	Other Income	17	9,660.25	14,825.51
III	Total Income (I +II)		4,71,573.42	6,22,542.62
IV	Expenses			
	(a) Cost of materials consumed	18	3,06,335.21	4,48,905.34
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	19	-2,420.99	-3,803.97
	(c) Employee benefits expense	20	49,298.59	46,489.71
	(d) Finance Costs	21	14,443.26	13,826.74
	(e) Depreciation and amortization expense	22	7,706.24	8,270.19
	(f) Other expenses	23	81,745.33	96,496.60
	Total Expense		4,57,107.65	6,10,184.61
V	Profit before tax (III - IV)		14,465.77	12,358.01
VI	Tax expense			
	(a) Current tax			
	(b) Deferred tax		-217.99	-331.20
VII	Profit (Loss) for the period (V - VI)		14,247.78	12,026.82
VIII	Earnings per equity share:			
	(a) Basic		4.66	3.96
	(b) Diluted		4.66	3.96

Notes to accounts and other explanatory statements form part of accounts

24-25 This is the Statement of Profit & Loss referred to in our report of even date



For Solve Plastic Products Limited

B.Sudheer Kumar
(Managing Director)

Susil Balakrishnan Nair
(Whole-Time Director)

Prasad Kizhakkemattai Ppalil
(Chief Financial Officer)

Divya Ajithakumari
(Company Secretary)
(Membership No:A68200)

Place: Punalur
Date: 22-07-2024

For RANJIT KARTHIKEYAN ASSOCIATES LLP
CHARTERED ACCOUNTANTS

CA. D Jayaprakash FCA
(Membership No: 533736)
Partner

UDIN: 24-533736B-KABVC5364



SOLVE PLASTIC PRODUCTS LIMITED
THOLICODE PO, PUNALUR
CIN : U25209KL1994PLC008231
CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2024

(Amount in Thousands)

Particulars	Period ended 31.03.2024	F.Y. ended 31.03.2023
I. Cash Flows from Operating Activities		
Net (Loss)/Profit before Tax	14,465.77	12,358.01
Adjustments for:		
Interest expense	13,333.04	13,577.37
Interest income	-108.11	-112.57
Profit on sale of Fixed Asset	-159.51	-500.13
Provision for gratuity	893.53	1,365.46
Depreciation	7,706.24	8,270.19
Operating profit before working capital changes	36,130.95	34,958.32
Adjustments for:		
(Increase)/ Decrease in Loans & Advances	-938.67	-467.74
Increase/(Decrease) in Current Liabilities	6,836.80	-6,742.41
Decrease/(Increase) in Current Assets	-22,912.82	-6,392.48
Decrease/(Increase) in Non Current Liabilities	-505.97	-702.40
Cash generated from operating activities	18,610.28	20,653.30
Less: Direct Taxes paid		
Tax expense relating to earlier years		
Net Cash generated from operating activities	18,610.28	20,653.30
II. Cash Flows from Investing Activities		
Proceeds from Sale of Fixed Assets	385.43	1,047.51
Acquisition of Fixed Assets	-18,014.04	-7,496.51
Net Cash Flows from Investing Activities	-17,628.61	-6,449.01
III. Cash Flows from Financing Activities		
Increase in Share Capital	10,375.00	-
Acceptance/(Repayment) of borrowings	1,878.96	-819.29
Interest Paid	-13,333.04	-13,577.37
Interest Received	108.11	112.57
Net Cash Flows from Financing Activities	-970.97	-14,284.09
Net Cash Flows during the year (I + II + III)	10.69	-79.80
Cash & Cash Equivalents at the beginning of the year	86.10	165.90
Cash & Cash Equivalents at the end of the year	96.80	86.10

Notes to Cash Flow Statement


Cash and Cash Equivalents at the end of the year comprises:

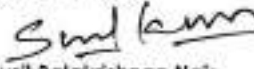
Particulars	As at 31.03.2024	As at 31.03.2023
Cash on Hand	39.21	53.44
Balance with Banks	57.59	32.66
Total	96.80	86.10

Notes to accounts and other explanatory statements form part of accounts


24-25

For Solve Plastic Products Limited


B. Sudheer Kumar
 (Managing Director)


Susil Balakrishnan Nair
 (Whole-Time Director)


Prasad Kizhakkemanna Ppallil
 (Chief Financial Officer)


Divya Anithakumari
 (Company Secretary)
 (Membership No:A68200)

For **RANJIT KARTHIKEYAN ASSOCIATES LLP**
CHARTERED ACCOUNTANTS


CA. D Jayaprakash FCA
 (Membership No: 533738)
 Partner

UDIN: 24533736BKABV65364

Place: Punalur
 Date: 22-07-2024

1 Share Capital

Particulars		As of March 31, 2024	As of March 31, 2023
(a) Authorised share capital			
50,00,000 Equity Shares of Rs. 10/- each		50,00,000	50,00,000
[50,00,000 Equity Shares of Rs. 10/- each]			
2,00,000 Non-Convertible Redeemable Preference Shares of Rs. 100/- each		20,00,000	20,00,000
(b) Issued, subscribed and paid up share capital			
30,35,000 Equity Shares of Rs. 10/- each		30,662,500	30,350,000
[30,35,000 Equity Shares of Rs. 10/- each]			
30,66,250 Equity Shares of Rs. 10/- each			

1.1 Reconciliation of number of equity shares outstanding at the beginning and at the end of the year

Equity Shares	As of March 31, 2024		As of March 31, 2023	
	No. of shares	Amount	No. of shares	Amount
1 Opening balance	3,035,000	30,350,000	3,035,000	30,350,000
2 Add: Payable Placement made during the year	31,25	112,50		
3 Add: Rights issue made during the year				
4 Closing balance	3,066,25	30,662,50	3,035,000	30,350,000

1.2 Particulars of shareholders holding more than 5% shares of a class of shares:

Name of the Shareholder	As of March 31, 2024		As of March 31, 2023	
	No. of shares	% holding	No. of shares	% holding
1 B. Sudhakar Kumar	1,786,75	58.27%	1,786,75	58.87%
2 Vinod Kumar B	400,00	13.03%	400,000	13.18%
3 B.Sudh Kumar	177,86	5.80%	177,86	5.86%
4 Others holding less than 5% of shares each	701,64	22.89%	670,39	22.09%



1.3 For the period of five years immediately preceding the date as of which the Balance Sheet is prepared:

Aggregate number and class of shares allotted as fully paid-up pursuant to contract(s) without payment being received in cash:

Class of Shares	Year	Aggregate Number
Equity Shares	2020-21	35,00

1.4 Shares held by promoters at the end of the year

Change in Promoters holding during the year (%)	0.00
---	------

(b) Details of Promoters shareholding

Promoters Name	As of March 31, 2024		As of March 31, 2023		% Change during the year
	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	
(i) B. Sudhakar Kumar	1,786,73	36.27%	1,786,73	58.87%	-0.60%
(ii) B. Sudhakar Kumar	177,86	5.80%	177,86	5.88%	-0.08%
(iii) G. Balakrishnan Nair	94,02	3.07%	62,27	2.07%	1.00%
(iv) Shankar S. Kumar	30,00	0.98%	30,00	0.99%	-0.01%
(v) Anand S. Kumar	40,00	1.30%	40,00	1.32%	-0.01%
(vi) Girish Vinod	50,00	1.63%	50,00	1.63%	-0.00%

*Effective January 06, 2024, Mr. Shankar S. Kumar, Mr. Anand S. Kumar, Mr. Girish Vinod have been designated as promoters of the Company.

2. Reserves & Surplus

Particulars		As of March 31, 2024	As of March 31, 2023
(a) Capital Reserves		850.00	850.00
1. Opening balance			
2. Add: Additions during the year			
3. Less: Deletions during the year			
4. Closing balance		850.00	850.00
(b) Securities Premium		9,775.00	2,725.00
1. Opening balance			
2. Add: Additions during the year			
3. Add: Receivable during the year			
3. Less: Deletions during the year			
4. Closing balance		12,787.50	2,725.00
(c) General Reserve		200.00	200.00
1. Opening balance			
2. Add: Additions during the year			
3. Less: Deletions during the year			
4. Closing balance		200.00	200.00

(Amount in thousands)



Notes on accounts for the year ended March 31, 2024

(d) Reserve and Surplus			
	1 Opening balance	2 Add: Additions during the year	3 Less: Deductions during the year
4 Closing balance			
(e) Surplus/(deficit) in Statement of Profit and Loss			
1 Opening balance	-15,668.64	-27,695.46	
2 Add: Profit / (loss) for the year	14,247.28	32,026.82	
3 Closing balance	-1,420.56	-15,668.64	
Total	13,214.44	-11,093.84	

Note: The company has made an adjustment of 17,230 equity shares on July 19, 2023 for private placement of its share price of Rs. 370/- per share whereby the adjustment of equity shares is determined by Registered member unit of Rs. 111.84/- per share. The adjustment does not have any effect on the net assets of the company. The same has been approved by the Board of Directors and is a corrective measure and is in compliance with the provisions of Section 62 of Companies Act, 2013, and the revised approval from the Board of Directors with their resolution dated 18.02.2024 and also with the approval from shareholders with their extra ordinary general meeting dated 28.04.2024 for revocation of remaining share premium amount of Rs. 12/- per share amounting to Rs. 2,75,680/- which has been received by the company on 10.04.2022 from the said above.

3 Long-term borrowings

Particulars		As of March 31, 2024	As of March 31, 2023
(e) Secured term loans			
From Bank (See Note 3.1 & 3.2)		31,172.59	29,255.49
Total		31,172.59	29,255.49

(Amount in thousands)



3.1 Repayment and other terms:

Particulars	Terms	Current Maturity	Non-Current
State Bank of India			
Loan 1 - Term Loan			
TERM LOAN SBI 37665675664	Balance equated instalments of 33 months with a monthly instalment of Rs 3,00,000/- with an interest rate of 9.50%	3,492.66	4,909.50
TERM LOAN SBI 37665685983	Balance equated instalments of 43 months with a monthly instalment of Rs 1,00,000/- with an interest rate of 9.50%	1,200.00	2,716.25
OPEN TERM LOAN SBI 38340260164	Balance equated instalments of 14 months with a monthly instalment of Rs 1,56,501/- with an interest rate of 9.50%	1,698.02	0.61
TERM LOAN SBI 42481923063	Loan starts from December 2024 calculated at one month EMI out of 72 months for current outstanding of Rs 30,73,575/-, total limit sanctioned Rs 2.55 Crores with an interest rate of 9.50%	693.12	11,783.00
Loan 2 - SBI COVID LOAN GECL	Balance equated instalments of 3 months with a monthly instalment of Rs 8,62,155/- with an interest rate of 9.25%	151.84	-
Loan 3 - SBI COVID LOAN GECL EMI	Balance equated instalments of 60 months with a monthly instalment of Rs 2,13,334/- with an interest rate of 9.25%	2,346.67	10,352.79
Vehicle Loan			
Vehicle Loan - Maruti Coz	Balance equated instalments of 4 months with a monthly instalment of Rs 16,000/- with an interest rate of 11.65%	17.37	-
Axis Bank			
Vehicle Loan			
Vehicle Loan - Dicher KI 29H1174	Balance equated instalments of 8 months with a monthly instalment of Rs 29,528/- with an interest rate of 9.25%	171.64	0.00
Vehicle Loan - Dicher KI 29H0185	Balance equated instalments of 8 months with a monthly instalment of Rs 32,217/- with an interest rate of 9.25%	186.90	0.00
Vehicle Loan - leyford 4244	Balance equated instalments of 3 months with a monthly instalment of Rs 31,993/- with an interest rate of 9.25%	36.86	0.00
Vehicle Loan - leyford 4255	Balance equated instalments of 3 months with a monthly instalment of Rs 31,993/- with an interest rate of 9.25%	36.86	0.00
Vehicle Loan - Force Traveller KI29H1433	Balance equated instalments of 60 months with a monthly instalment of Rs 30,485/- with an interest rate of 9.25%	246.42	1,153.46
Current year			
		10,438.57	31,117.59
Previous year			
		16,860.13	29,255.69



3.2 Details of Security:

Particulars		Securities Offered
(i) With State Bank of India :		
Loan 1 - Term loan		Term loans from State Bank of India against equitable mortgage of total 566.2 cents of land situated at various locations, equitable mortgage of lease right on 9,4047 hectares (1.00 acres) of land, hypothecation of moveable and immovable assets including plant and machinery kept in Pundarikotam, Shencotta & Kanneri unit and personal guarantee of three directors including Managing Director. (Five term loan of Rs. 124.76 lakh availed during the year)
Loan 2- SBI COVID LOAN GECL		Guaranteed Emergency Credit line (GECL) against equitable mortgage of total 566.2 cents of land situated at various locations, equitable mortgage of lease right on 9,4047 hectares (1.00 acres) of land, personal guarantee of three directors including Managing Director.
Loan 3- SBI COVID LOAN GECL Extn		Guaranteed Emergency Credit line (GECL) against equitable mortgage of total 566.2 cents of land situated at various locations, equitable mortgage of lease right on 9,4047 hectares (1.00 acres) of land, personal guarantee of three directors including Managing Director.
Vehicle loan		Term loan sanctioned on hypothecation of vehicle.
(ii) With Axis Bank - Vehicle loan		Term loan sanctioned on hypothecation of vehicle.

4 Long-Term Provisions

Particulars		As of March 31, 2024	As of March 31, 2023
Generally payable Non Current Portion		7,432.08	7,044.52
Total		7,432.08	7,044.52

(Amount in thousands)



Notes on accounts for the year ended March 31, 2024

5 Short-Term Borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
1. Secured		
a) Working Capital Loan	82,524.78	76,086.37
From Banks See Note 5.1.1	10,438.57	16,860.13
b) Current Maturities of Long Term Borrowings		
Total	92,963.35	92,946.50

5.1 Repayment and other terms:

Particulars	Terms	Details of Securities	As at March 31, 2024	As at March 31, 2023
State Bank of India Cash Credit Account	Repayable on demand at an interest rate of 9.50%	Working capital sanctioned by State Bank of India on hypothecation of stock, receivables and other current assets, secured charge on movable and immovable assets of the company including plant & machinery and guaranteed by three Directors.	82,524.78	76,086.37
			82,524.78	76,086.37



Notes on accounts for the year ended March 31, 2024

III Other disclosures

Summary of Reconciliation of Current Assets in the nature of security as per Books of accounts with Quarterly Returns/Statements furnished to the Banks:

Quarter	Name of Bank	Particulars of Security Provided	Amount reported to the quarterly return Statement	Amount as per Books of Accounts	Amount of Difference	Reason for Material Discrepancies
Q1	State Bank of India	Inventories	74,000.00	74,017.54	-17.54	* The figures relating to quarterly returns or statements were filed with banks on provisional basis, and are rounded off to nearest rupees and prior to finalization of accounts. Difference reported are of rounding off difference in nature and are not material in value
		Receivables	41,300.00	41,323.70	-23.70	
		Other Current Asset	18,700.00	18,697.57	2.43	
Q2		Inventories	76,200.00	76,229.43	-29.43	
		Receivables	43,900.00	43,902.49	-2.49	
		Other Current Asset	11,100.00	11,081.13	18.87	
Q3		Inventories	75,600.00	75,612.75	-12.75	
		Receivables	38,200.00	38,221.00	-21.00	
		Other Current Asset	15,200.00	15,167.70	32.30	
Q4		Inventories	76,200.00	76,163.22	36.78	
		Receivables	50,500.00	50,539.97	-39.97	
		Other Current Asset	16,600.00	16,641.14	-41.14	



Notes on accounts for the year ended March 31, 2024

6. Trade Payables

(Amount in thousands)

Particulars	As at March 31, 2024	As at March 31, 2023
For goods supplied	22,377.30	10,777.95
For expenses	2,974.48	2,099.30
	25,351.78	12,877.34
(a) Total outstanding dues of micro & small enterprises (Refer Note 6.1 below)	2,418.79	2,943.94
(b) Total outstanding dues of creditors other than micro and small enterprises	22,932.98	9,933.40
Total	25,351.78	12,877.34

6.1 Trade Payables ageing schedule

As at March 31, 2024

Particulars	Outstanding for the following periods from the due date of payment				
	Not due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years
(a) MSME	2,209.05	135.54	4.20	-	-
(b) Others	22,848.98	84.00	-	-	-
(c) Disputed Dues- MSME	-	-	-	-	-
(d) Disputed Dues- Others	-	-	-	-	-
Total	22,857.03	219.54	4.20	-	-

As at March 31, 2023

Particulars	Outstanding for the following periods from the due date of payment				
	Not due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years
(a) MSME	713.80	2,943.94	-	-	-
(b) Others	0.00	9,219.60	-	-	-
(c) Disputed Dues- MSME	0.00	0.00	-	-	-
(d) Disputed Dues- Others	0.00	0.00	-	-	-
Total	713.80	12,163.54	-	-	-



Notes on accounts for the year ended March 31, 2024
The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with Company is as

Particulars	As of March 31, 2024	As of March 31, 2023
(i) The amount remaining Unpaid as at the end of accounting year:		
- Principal	2,418.79	2,943.94
(ii) The amount of interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), along with the amount of the payment made to the supplier beyond the appointed day during the year.		
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.		
(iv) The amount of interest accrued and remaining unpaid at the end of the year; and	7.63	5.93
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006.		

7. Other Current Liabilities

Particulars	As of March 31, 2024	As of March 31, 2023
(a) Other payables		
Statutory liabilities		
Tax Deducted at Source (TDS) payable	246.75	235.99
Tax Collected at Source (TCS) Payable	45.03	54.87
Goods and Service Tax payable	2,522.61	2,450.00
Provident Fund (PF) & Employees State Insurance (ESI) payable	553.49	600.06
Others		
Other Payment to Employees	131.34	14,797.20
Accrued expense	8,021.08	1,192.53
Advances from customers	543.96	
Total	12,864.25	19,333.24

8. Short-Term Provisions

Particulars	As of March 31, 2024	As of March 31, 2023
Provision For Expense	5,070.57	5,322.76
Provision For Tax	2,474.74	1,391.22
Total	7,545.31	6,713.97



SOLVE PLASTIC PRODUCTS LIMITED
THOLICODE PO, PUNALUR
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0. Property, Plant and Equipment and Intangible assets

Description	GROSS BLOCK					DEPRECIATION/AMORTISATION				NET BLOCK	
	Opening balance	Additions during the year	Acquisitions through Business Combination	Revaluation	Deposits/Adv amounts	Closing balance	Charge for the Year	Debitum / Adjustment	Impairment losses / Reversals	Closing balance	As at 31.03.2024
9.01 Tangible Assets											
Land	11,720.98	0.00	-	-	-	11,720.98	-	-	-	-	11,720.98
Building	38,104.94	615.82	-	-	-	38,720.76	2,344.12	-	-	36,376.64	37,263.10
Computer & Accessories	1,020.60	224.10	-	-	-	1,244.70	184.55	-	-	1,060.15	1,415.57
Electrical installation	4,980.12	0.00	-	-	-	4,980.12	4,707.35	109.10	-	2,272.77	278.76
Furniture and Fittings	2,167.29	27.19	-	-	-	2,194.48	1,252.40	942.08	-	1,252.40	941.80
Motor Vehicle	1,244.66	0.00	-	-	-	1,244.66	1,044.50	200.16	-	200.16	184.07
Office equipment	2,421.67	480.77	-	-	-	2,902.44	2,008.53	893.91	-	893.91	2,008.53
Plant & Machinery	80,942.52	6,460.03	-	-	-	87,402.55	3,758.54	802.41	-	86,600.01	87,402.55
Power Generation	401.97	0.00	-	-	-	401.97	144.66	257.31	-	257.31	144.66
Vehicle	14,083.70	1,217.23	-	-	-	15,300.93	1,407.68	1,407.68	-	13,893.25	13,893.25
Total (A)	1,29,943.75	9,083.19	-	-	-	1,39,026.94	7,547.29	1,234.10	-	1,31,479.65	1,39,026.94
9.02 Intangible Assets											
Software	246.06	-	-	-	-	246.06	614.10	81.99	-	164.07	164.07
Goodwill	2,417.00	-	-	-	-	2,417.00	447.23	76.85	-	2,340.77	2,340.77
Total (B)	2,663.06	-	-	-	-	2,663.06	1,061.33	158.84	-	2,504.23	2,504.23
Total	1,32,606.81	9,083.19	-	-	-	1,41,690.00	8,608.62	1,392.94	-	1,32,297.06	1,41,690.00
Provision Vests	1,60,050.23	2,466.31	-	-	-	1,62,516.54	1,08,050.70	8,770.19	-	1,53,746.35	1,62,516.54
9.01 Capital Work in progress	0.00	0.00	-	-	-	0.00	-	-	-	-	-



Notes on accounts for the year ended March 31, 2024

10 Other non-current assets

(Amount in thousands)		
Particulars	As of March 31, 2024	As of March 31, 2023
I Unsecured, considered good		
(a) Security Deposits	4,151.65	3,918.87
(b) Deferred Expense - Non Current Portion	705.86	
Total	4,857.51	3,918.87

11 Inventories

(Amount in thousands)		
Particulars	As of March 31, 2024	As of March 31, 2023
(a) Raw materials	22,214.32	15,391.95
(b) Finished Goods	46,917.77	43,757.67
(c) By Product - PVC	7,000.73	7,270.04
Total	76,132.82	66,419.66

12 Trade Receivables

(Amount in thousands)		
Particulars	As of March 31, 2024	As of March 31, 2023
(a) Unsecured, considered good:		
Debts outstanding for a period more than six months	4,648.61	3,960.85
Others	37,108.80	28,722.10
(b) Allowance for bad and doubtful assets		
Less: Provision for bad & doubtful debts	(1,610.67)	(1,202.71)
(c) Debts due by		
Director of the Company either severally or jointly with any other persons.	10,393.23	9,687.46
Amounts due by private companies in which any director is a director or a member		
Total	50,539.97	41,192.70



12.1 Trade Receivables Ageing Schedule
As of March 31, 2024

Particulars	Outstanding for the following periods from the due date of payment				
	Less than 6 months	6 months to 1 year	1 - 2 years	2 - 3 years	More than 3 years
(a) Undisputed Trade Receivables - Considered good	40,271.64	1,288.07	1,106.04	5.82	5,579.66
(b) Undisputed Trade Receivables - Considered doubtful	-	-	-	-	-
(c) Disputed Trade Receivables - Considered good	0.30	366.46	128.26	539.02	657.71
(d) Disputed Trade Receivables - Considered doubtful	-	-	-	79.41	1,531.26
Total					48,851.23
					1,688.24
					1,610.67

As of March 31, 2023

Particulars	Outstanding for the following periods from the due date of payment				
	Less than 6 months	6 months to 1 year	1 - 2 years	2 - 3 years	More than 3 years
(a) Undisputed Trade Receivables - Considered good	31,518.47	880.56	4,276.45	371.32	2,825.32
(b) Undisputed Trade Receivables - Considered doubtful	-	-	-	-	-
(c) Disputed Trade Receivables - Considered good	-	-	119.82	539.36	800.16
(d) Disputed Trade Receivables - Considered doubtful	-	-	509.19	152.21	1,102.54
Total					39,872.13
					799.34
					1,763.94

13 Cash and Cash Equivalents

Particulars		[Amount in thousands]	
		As of March 31, 2024	As of March 31, 2023
(a) Balance with Banks			
In Current accounts		57.59	32.66
(b) Cash on hand		39.21	53.44
Total		96.80	86.10



Notes on accounts for the year ended March 31, 2024

14 Short-Term Loans and Advances

(Amount in thousands)		
Particulars	As of March 31, 2024	As of March 31, 2023
I Unsecured, considered good		
(a) Loans and advances to Related parties - Without specifying any terms or period of repayment		
(b) Others		
Advance Income Tax paid	3,900.00	3,600.00
Tax deducted at source (TDS) receivable	29.56	54.83
Tax collected at source (TCS) receivable	20.30	14.25
Minimum Alternative Tax (MAT) credit entitlement	4,038.95	1,584.21
KVAF Refund Receivable	0.00	26.40
Deputed tax	47.74	73.00
Advance for expenses	247.81	445.40
Advance for capital expenses	2,491.17	0.00
Loans and advances to Employees	26.37	5.39
Other advance	7.58	9.97
GST Receivable	1,898.09	1,160.64
Total	12,727.43	6,974.10

Particulars	As of March 31, 2024	As of March 31, 2023
14.1 Loans and advances due by:		
(a) Director of the Company either severally or jointly with any other persons		
(b) Amounts due by firms in which any director is a partner		
(c) Amount due by private companies in which any director is a director or a member		
Total		

15 Other Current Assets

(Amount in thousands)		
Particulars	As of March 31, 2024	As of March 31, 2023
(a) Prepaid expenses	1,450.25	1,391.03
(b) Discount Receivable	1,913.00	3,857.40
(c) Security Premium Receivable from Balakrishnan Nair	375.00	
(d) Deferred Expenditure-Current Portion	78.43	
Total	3,816.71	5,248.43



16 Revenue From Operations

(Amount in thousands)

Particulars		Year Ended March 31, 2024	Year Ended March 31, 2023
(a)	Sale of products	4,58,365.03	5,98,436.89
(b)	Other operating revenues	3,548.14	9,280.22
	Total	4,61,913.17	6,07,717.11

17 Other Income

(Amount in thousands)

Particulars		Year Ended March 31, 2024	Year Ended March 31, 2023
(a)	Interest income	108.11	112.57
(b)	Discount received	9,047.37	13,391.91
(c)	Miscellaneous income	61.73	123.90
(d)	Lease rent received	50.00	100.00
(e)	Profit on sale of fixed assets (Net)	159.51	300.13
(f)	Insurance Claim Received	233.53	109.25
(g)	Sundry Creditors written back	-	487.75
	Total	9,660.25	14,825.51

18 Cost of materials consumed

(Amount in thousands)

Particulars		Year Ended March 31, 2024	Year Ended March 31, 2023
(a)	Opening stock of Raw materials	15,391.98	14,523.65
(b)	Add: Purchases	3,13,157.96	4,49,773.67
(c)	Less: Closing stock of Raw materials	22,214.72	15,391.98
	Total	3,06,335.21	4,48,905.34

19 Changes in inventories of finished goods, work-in-progress and stock-in-trade

(Amount in thousands)

Particulars		Year Ended March 31, 2024	Year Ended March 31, 2023
(a)	Opening stock		
	1 Finished Goods	51,527.51	47,723.54
(b)	Less: Closing stock		
	1 Finished Goods	53,948.50	51,527.51
	Total	-2,420.99	-3,803.97



(Amount in thousands)

Particulars		Year Ended March 31, 2024	Year Ended March 31, 2023
(a)	Salaries & Wages		
	Salaries and wages, including bonus	40,757.59	38,889.39
(b)	Contribution to provident and other funds		
	Contribution to Employees Provident Fund	3,030.55	3,094.94
	Contribution to Employees State Insurance	925.09	931.32
	Gratuity	893.53	1,339.09
(c)	Staff welfare expenses	814.62	477.95
(d)	Remuneration to directors	2,877.22	1,757.02
	Total	49,298.57	46,489.71

21 Finance costs

(Amount in thousands)

Particulars		Year Ended March 31, 2024	Year Ended March 31, 2023
(a)	Interest Cost	13,333.04	13,577.37
(b)	Bank charges	1,108.05	243.74
(c)	Interest-Others	2.18	5.63
	Total	14,443.26	13,826.74

22 Depreciation and Amortisation

(Amount in thousands)

Particulars		Year Ended March 31, 2024	Year Ended March 31, 2023
(a)	Depreciation on Property, Plant and Equipments	7,547.70	8,013.50
(b)	Amortisation of intangible assets	156.54	256.68
	Total	7,704.24	8,270.19



23 Other Expenses

(Amount in thousands)

Particulars	Year Ended March 31,2024	Year Ended March 31,2023
Power and fuel	18,136.39	19,237.61
Factory expenses	1,164.29	1,995.00
Repairs to buildings	100.13	713.83
Repairs to machinery	3,512.93	3,276.95
Repairs to others	2,249.61	2,787.07
Advertisement charges	1,554.91	1,515.27
Carriage outwards	1,381.67	1,436.86
Discount allowed	11,147.35	20,648.58
Donation & charities	-	25.00
Personnel expenses	9,692.40	12,120.81
Penalties & fines	44.17	-
Insurance	1,090.91	1,281.16
Job work charges	25.58	49.39
Rates and taxes, excluding, taxes on income	1,518.98	2,142.61
Legal and professional	1,456.56	2,059.04
Travelling and conveyance	5,698.43	4,920.32
Printing and stationery	382.95	522.72
Remuneration to Auditors	300.00	300.00
Sitting fee to directors	32.00	15.00
Market development expenses	2,842.08	2,939.51
Office expenses	1,997.63	831.33
Other selling expenses	160.82	255.71
Postage, Telephone etc	307.62	300.93
Service charges	1,847.10	1,475.59
Testing fee	184.76	230.65
Vehicle running expenses	7,223.51	7,242.49
Lease Rent	7,272.00	7,278.00
Membership Fees	9.95	12.64
Bad debts	407.96	776.06
Sundry Creditors Written Off	-	106.24
Assets Written Off	2.63	-
Miscellaneous expenses	-	0.23
Total	81,745.33	96,496.60



SOLVE PLASTIC PRODUCTS LIMITED
THOLICODE PUNALUR

Note - 24

SIGNIFICANT ACCOUNTING POLICIES

A. Accounting Convention

The financial statements have been prepared in accordance with the Generally Accepted Accounting principles in India ("Indian GAAP"), Accounting Standards ("AS") as specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Account) Rules, 2014 and the relevant provisions thereof. The financial statements are prepared on the basis of going concern under the historical cost convention using accrual method of accounting except otherwise stated.

The financial statements are prepared and presented as per the requirements of Schedule III as notified under the Companies Act, 2013.

B. Use of Estimates

The preparation of financial statements in conformity with the Indian GAAP requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenue and expense and disclosure of contingent liabilities. Management believes that the estimates used in preparation of financial statements are prudent and reasonable. Actual results could differ from these estimates. Any revision in accounting estimates is recognized prospectively in the current and future Periods.

C. Revenue Recognition

Revenue from sale of goods is recognized when invoice is raised and the property in the goods is transferred to the buyer and in the opinion of management no significant uncertainty exists regarding the realization of sale proceeds.

D. Property Plant and Equipments

Property Plant and Equipments are stated at their original cost of acquisition including taxes, duties other than Goods & Services Tax availed as input for credit wherever applicable, freight, interest and other incidental expenses related to acquisition and installation of concerned assets.

E. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at historical cost. Intangible assets have a finite life and are subsequently carried at cost less any accumulated amortization and accumulated impairment losses if any. Intangible assets with finite lives are amortized over the useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss.

F. Investments

- Long term investments are carried individually at cost. Provision for diminution is made to recognize a decline, other than temporary, in value of such investments. Cost of
- Investments includes acquisition charges such as brokerage, fee and duties. Investments that are readily realisable and are intended to be held for not more than one year from the date, on such investments are made, are classified as current investments. All other investments are classified as long term investments.
- Current investments are stated at lower of cost or fair value.



- On disposal of investments, the difference between carrying amount and net disposal proceeds is charged or credited to Statements of Profit and Loss.

G. Depreciation:

Depreciation on fixed assets is charged off on written down value method at the rates arrived on the basis of useful life and in the manner prescribed under Schedule II of the Companies Act 2013. Extruder are used continuously and hence depreciation is calculated on the basis of rate arrived on the basis of useful life as applicable for Continuous Process Machineries. Depreciation on assets acquired under financial leases are provided over the useful life of the asset.

H. Inventories

Inventories are valued as under:

- | | |
|--|---|
| - Finished Goods | : at lower of cost or net realizable value. |
| - Raw Material and other stores | : at cost including taxes and duties |
| - Bi-Products and PVC scrap meant for re-use/ sale | : at cost or net realizable value |

I. Foreign Currency Transactions

Transactions in foreign currency are accounted at exchange rates prevailing on the dates of transactions. Assets and Liabilities in foreign currency are translated at exchange rates prevailing on the date of Balance Sheet.

J. Borrowing Cost

Interest, commitment charges, etc, on borrowings that are attributable to the acquisition, construction or installation of qualifying assets till the date of completion of installation construction are capitalized as part of the cost of that asset. Interests on other borrowings are charged to revenue in the period in which they are incurred.

K. Segment Reporting

Based on the parameter of segment revenue/segment result to the total, the company has only one reportable business segment during the year and the company has no reportable geographical segments. Hence the segment report as per Accounting standard 17 is not required.

L. Related Party Transactions

As required by AS 18 - Related Party Disclosures, the names of related parties and the transactions with them are disclosed in the notes

M. Taxes on Income

Deferred tax resulting from timing differences between book profits and tax profits is accounted for at the current rates of tax to the extent the timing differences are expected to reverse in future. The company has recognized deferred tax asset on carry forward business loss and unabsorbed depreciation and during taxable income will be available against which such deferred tax asset is realized.

N. Earnings per Share

Earnings per share has been arrived at by dividing the net profit after taxes for the year attributable to equity shareholders of the Company by the weighted average number of shares outstanding during the Year.

O. Employee Benefits

- Contribution to recognized provident fund, which is, defined contribution scheme is charged to profit and loss account. The above-mentioned scheme is classified as defined contribution plan, as the company has no further obligation beyond making the contribution.



- The company has a partially funded defined benefit plan for post-retirement benefit in the form of gratuity for its employees. The Company is covered under Group Gratuity scheme of Life Insurance Corporation of India for future payments of gratuity as determined on actuarial basis by Life Insurance Corporation of India. The contribution for the year is charged to statement of Profit and Loss. The shortfall in the fund compared to gratuity Liability arrived at on actuarial basis by LIC is provided for every Year.

P. Leases

Lease in which significant portion of risks and rewards of ownership are not transferred are classified as operating leases. In determining the appropriate classification, the substance of the transaction rather than the form is to be considered.

Lease rentals in respect of assets acquired under operating lease are charged off to Profit and Loss Account on a straight-line basis over the period of the lease unless the payments are structured to increase in line with the expected general inflation to compensate the lessors expected inflationary cost increases.

Leases under which the company assumes all the risks and rewards of ownership are transferred are classified as financial leases.

Q. Government Grants

Government grants and subsidies are recognized when there is a reasonable assurance that the Company will comply with the conditions attached to them and the grant/subsidy will be received. Government Grants whose primary condition is that the Company should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets.

Government grants in the nature of capital subsidy are credited to capital reserve other government grants and subsidies are recognized as income over the periods necessary to match them with the costs for which they are intended to compensate on a systematic basis.

R. Impairment

An asset is treated as impaired when the carrying cost of an asset exceeds its recoverable value. An impairment loss is recognized as an expense in the statement of Profit and Loss in the year in which an asset is identified as impaired.

S. Minimum Alternative Tax (MAT) Credit

The company takes credit for MAT paid as stipulated in the "Guidance Note on Accounting for MAT Credit". The MAT credit will be reversed in the 1st FY in which the tax due as per the normal provisions of the Income Tax Act exceeds the liability as per MAT.

T. Provisions, Contingent liabilities and Contingent Assets

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. A contingent asset is neither recognized nor disclosed in the financial statements.

U. Others

Expenses / income less than Rs.5,000/- each relating to earlier years, if any, are not treated as prior period items as they are not material considering the scale of operations of the company.



SOLVE PLASTIC PRODUCTS LIMITED
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NOTE- 25
OTHER EXPLANATORY STATEMENTS

1. Operating lease

The Company had entered into an operating lease agreement with Kerala Industrial Infrastructure Development Corporation (KINFRA), Trivandrum vide Tripartite Agreement No. 45702 dated 20.02.2018, in connection with the acquisition of M/s. Pee Cee Polymers Factory, Kannur for a period of 25 years, five months and 15 days. A total of Rs. 20,37,743/- had been paid towards lease premium. During the year an amount of Rs.76,853- is charged off to the statement of Profit and loss account as amortization of lease hold premium.

2. During the financial year ended 2019-20, the Company entered into an operating lease agreement with Solve Plastic Products, a proprietorship concern of director Mr.B Sudheer Kumar, under a tenancy agreement dated 10.12.2019. The lease pertains to 20 cents of property housing a factory building, along with other structural amenities and accessories. The license for this lease was renewed on 01.01.2024, with a monthly payment of Rs. 5,00,000. Consequently, during the financial year 2023-24, an amount of Rs. 60,00,000 has been charged to the Statement of Profit and Loss Account as Lease Rentals.

3. Other Financial Information

Contingent Liabilities

Particulars	As At 31/03/2024(Rs in Thousand)	As At 31/03/2023(Rs in Thousand)
Pending Litigation	47.73	73.00

Commitments

Particulars	As At 31/03/2024(Rs in Thousand)	As At 31/03/2023(Rs in Thousand)
Estimated amount of contracts remaining to be executed on capital account and not provided for	1,541.00	-

4. Gratuity

The company has a group gratuity account with Life Insurance Corporation (LIC) of India for payment of gratuity to its employees. The liability of the company towards gratuity on the balance sheet date is Rs. 74,32,079/- (Rs 74,32,079/- as reflected under Note 4 - 'Long Term Provisions') to the financial statements. During the year the company has paid gratuity premium amounting to Rs. 5,05,971/- to LIC. Further a provision of Rs. 8,93,527/- has been provided during the year.



5. Related party disclosure

(a) List of parties where control exists and relationships

Name of related party	Relationship
Sudheer Kumar B	Managing Director
Susil Kumar B	Whole-Time-Director
Aravind S Kumar	Executive Director
Shankar S Kumar	Executive Director
Govind Vinod	Executive Director
G Balakrishnan Nair	Director (Managing director's Father)
Prasad K P	Chief Financial Officer
Divya A	Company Secretary
CBN Associates, LLP	Limited Liability Partnership firm in which Director is a Partner
Shri Govinda Agri Business Private Limited	Company in which Managing Director is a Director
Solve Plastics Products	Proprietorship concern of Managing Director
ASK Agencies	Proprietorship concern of Director Susil Kumar's spouse
Saraswathy Agencies	Proprietorship concern of Managing Director's brother
Souparnika Enterprises	Proprietorship concern of Director Susil Kumar

(b) Related Party with whom transactions have taken place during the year

Name of related party	Relationship
Sudheer Kumar B	Managing Director
Susil Kumar B	Whole-Time-Director
Aravind S Kumar	Executive Director
Shankar S Kumar	Executive Director
Govind Vinod	Executive Director
G Balakrishnan Nair	Director
CBN Associates, LLP	Limited Liability Partnership firm in which Director is a Partner
Shri Govinda Agri Business Private Limited	Company in which Managing Director is a Director
Solve Plastics Products	Proprietorship concern of Managing Director



ASK Agencies	Proprietorship concern of Director – Mr. Susil Kumar's spouse
Souparnika Enterprises	Proprietorship concern of Director Susil Kumar

(C) Transactions with Related parties

Name of the Related Party	Nature of Transaction	Amount(Rs in Thousand) FY 2023-24	Amount(Rs in Thousand) FY 2022-23
Sudheer Kumar B	Remuneration	1,166.73	1,168.76
Sudheer Kumar B	Sitting Fees	9.00	5.00
Sudheer Kumar B	Bonus	15.00	14.50
Sudheer Kumar B	Sales	12.95	63.76
Sudheer Kumar B	Rent	1,200.00	1,200.00
Susil Kumar	Remuneration	302.60	304.76
Susil Kumar	Sitting Fees	9.00	5.00
Susil Kumar	Bonus	15.00	14.50
G Balakrishnan Nair	Honorarium	1,124.66	240.00
G Balakrishnan Nair	Sitting Fees	8.00	5.00
G Balakrishnan Nair	Bonus	15.00	14.50
N Asokan	Sitting Fees	1.00	-
Deepthi Santhakumari	Sitting Fees	1.00	-
Keshav Mohan	Sitting Fees	1.00	-
Aravind S Kumar	Sitting Fees	1.00	-
Shankar S Kumar	Sitting Fees	1.00	-
Govind Vinod	Sitting Fees	1.00	-
Aravind S Kumar	Salary	225.22	238.80
Shankar S Kumar	Salary	362.60	376.26
Govind Vinod	Salary	362.60	376.26



Prasad K P	Salary	905.28	604.76
Divya A	Salary	92.20	-
GBN Associates, LLP	Contract Labour Charges	8,662.07	10,353.96
Shri Govinda Agri Business Pvt. Ltd.	Lease rent Income	-	100.00
Solve Plastics Products	Sales	6.12	80.67
Solve Plastics Products	Purchase	959.57	830.02
ASK Agencies	Sale of PVC Pipes	40,503.17	51,470.32
ASK Agencies	Purchase of Fittings	5,609.86	6,979.71
Souparnika Enterprises	Sales	387.07	-
Solve Plastics Products	Lease Rent Paid	6,000.00	6,000.00
Solve Plastics Products	Lease rent Income	50.00	

(d) Amount (due to) / from related parties

Name of the Related Party	Nature of Transaction	Amount (Rs) as at 31.03.2024	Amount (Rs) as at 31.03.2023
Sudheer Kumar	Sitting Fee	(8.10)	(4.50)
	Salary	(91.10)	(84.34)
Susil Kumar	Salary	(23.27)	(23.42)
	Sitting Fee	(8.10)	(4.50)
G Balakrishnan Nair	Sitting Fee	(7.20)	(4.50)
	Salary	(80.48)	(18.00)
Aravind S Kumar	Sitting Fee	(0.90)	
	Salary	(16.84)	(16.99)
Shankar S Kumar	Sitting Fee	(0.90)	
	Salary	(28.42)	(27.53)
Govind Vinod	Sitting Fee	(0.90)	
	Salary	(28.42)	
N Asokan	Sitting Fee	(0.90)	
Deepthi Santhakumari	Sitting Fee	(0.90)	
Keshav Mohan	Sitting Fee	(0.90)	
Prasad K P	Salary	(75.40)	
Divya A	Salary	(70.19)	
GBN Associates LLP	Trade Payables	14.69	(870.11)
Solve Plastics Products	Trade Receivables	4864.49	5228.37



ASK Agencies	Trade Payables	-	(50.22)
	Trade Receivables	2,880.91	1810.94
Saraswathi Agencies	Trade Payables	-	-
	Trade Receivables	2647.83	2647.83
Shri Govinda Agri Business Private Limited	Security Deposits	9.94	1,232.58

6. Earnings per Equity Share (EPS)

The Earnings per equity share is calculated on the basis of the profit for the year divided by the weighted average number of equity shares outstanding during the year. The calculations were furnished below:

Particulars	Amount as at 31.03.2024 (Rs in Thousand)	Amount as at 31.03.2023 (Rs in Thousand)
A. Profit / (Loss) for the year	14,247.78	12,026.83
B. Face Value per share	10	10
C. No of equity share on weighted average basis	30,66,250	30,35,000
D. Earnings Per Share	4.65	3.96

7. Deferred Tax

As per Accounting Standard (AS) 22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India an amount of Rs. 3,31,195 has been Debited to Statement of profit and loss on account of deferred tax Liability arising due to timing difference. The components of deferred tax are furnished below:

Components of Deferred tax	Deferred Tax Liability/(Asset) as on 01.04.23 Rs. In Thousand	Current Year Liability/(Asset)Rs. In Thousand	Adjusted to Reserves and Surplus	Deferred Tax Liability/(Asset) as on 31.03.24 Rs. In Thousand
Depreciation	(3,097.36)	217.99	-	(2879.37)

8. No funds 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 persons or entities, including foreign entities ("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.

9. No funds have been received by the company from any persons or entities, including foreign entities ("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.



10. Additional Regulatory Information

Sl.No.	Particulars	2023-24	2022-23	Change in %	Reason of Variance
a.	Current Ratio	1.03	0.91	13.2%	Improvement in current ration is on account of increase in inventory and receivables as compared to previous year.
b.	Debt - Equity Ratio	4.05	4.03	0.50%	
c.	Debt Service Coverage Ratio	0.26	0.25	2.56%	
d.	Return on Equity Ratio	0.46	0.40	17.26%	The Increase in this ratio is on account of Increase in the Profit After Tax when compared to Previous years.
e.	Inventory Turnover Ratio	24.57	40.63	(39.5%)	Decrease in inventory turnover ratio is mainly due to decrease in sales turnover.
f.	Trade Receivable Turnover Ratio	9.33	15.11	(38.3%)	Decrease in trade receivable turnover ratio is mainly due to decrease in sales turnover
g.	Trade Payable Turnover Ratio	12.35	34.93	(64.6%)	Decrease in trade payable turnover ratio is mainly due to increase in payables
h.	Net Capital Turnover Ratio	102.08	(54.37)	(287.8%)	Increase in net capital turnover ratio is mainly due to increase in profit after tax.
i.	Net Profit Ratio	0.03	0.02	56%	Increase in ratio is due to increase in Profit After Tax compared to previous years.
j.	Return on Capital Employed	0.34	0.47	(27.76%)	Decrease in ratio is due to addition of fixed assets.



Formula used for computation of:

- a. $\text{Current Ratio} = \text{Current assets} / \text{Current liabilities.}$
- b. $\text{Debt Equity Ratio} = \text{Total borrowings} / \text{Total equity.}$
- c. $\text{Debt Service Coverage Ratio} = \text{Earnings before interest, tax and exceptional item} / (\text{Interest on borrowings (net of transfer to expenditure during construction)} + \text{Principal repayments of Long Term borrowings}).$
- d. $\text{Return on Equity ratio} = \text{Profit for the year} / \text{Average Total equity.}$
- e. $\text{Inventory turnover} = \text{Revenue from operations} / \text{Average inventories}$
- f. $\text{Trade receivable turnover} = \text{Revenue from operations} / \text{Average trade receivables.}$
- g. $\text{Trade payable turnover} = \text{Revenue from operations} / \text{Average trade payables.}$
- h. $\text{Net capital turnover ratio} = \text{Revenue from operations} / \text{Working Capital.}$
- i. $\text{Net Profit Margin (\%)} = \text{Profit for the period} / \text{Revenue from operations.}$
- j. $\text{Return on Capital employed} = \text{Profit Before Interest, Dividend Income \& Tax (PBIT excluding Dividend Income)} / \text{Capital Employed.}$

10.2 The Company is not a declared Wilful defaulter by any bank or financial institution or other lender.

10.3 The Company has no charges or satisfaction yet to be registered with registrar of Companies beyond the statutory period.

10.4 The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

11 Figures are rounded off to the nearest Thousands (Rs.). Previous year figures have been regrouped wherever necessary.

