

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 financial statements

Opinion

We have audited the accompanying Standalone financial statements of SOLVE PLASTIC PRODUCTS LIMITED, THOLICODU, PUNALUR ("the Company"), which comprise the balance sheet 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. (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) 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;
 - (e) 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;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
 - 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 Company has used such accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software and audit trail feature has not been tampered with and the audit trail has been preserved by the company as per the statutory requirement for record retention.



(B) 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, 2024 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
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

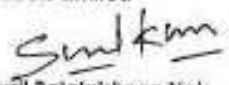
Notes to accounts and other explanatory statements form 24-25 part of accounts

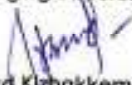
This is the Balance Sheet referred to in our report of even date




For Solve Plastic Products Limited



B. Sudheer Kumar
(Managing Director)


Susil Balakrishnan Nair
(Whole Time Director)


Prasad Kizhakkematta Ppalili
(Chief Financial Officer)


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: 24533736BKABYC5364

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 Ppallil
(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-KABVC534



SOLVE PLASTIC PRODUCTS LIMITED
THOUCODE 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	106.11	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:

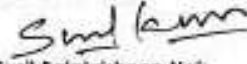
Particulars	As at 31.03.2024	As at 31.03.2023
Cash on Hand	39.21	53.44
Balance with Banks	57.59	32.66
Total	96.80	86.10

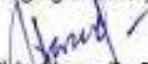
Notes to accounts and other explanatory statements form part of accounts


24-25

For Solve Plastic Products Limited


B. Sudheer Kumar
(Managing Director)


Susil Balakrishnan Nair
(Whole-Time Director)


Prasad Kizhakkemattam Ppallil
(Chief Financial Officer)


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

For **RANJIT KARTHIKEYAN ASSOCIATES LLP**
CHARTERED ACCOUNTANTS


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

UDIN: 24533736B K A B Y 65369

Place: Punalur
Date: 22-07-2024

Notes on accounts for the year ended March 31, 2024

1 Share Capital

Particulars		As at March 31, 2024	As at March 31, 2023
(a) Authorized share capital			
50,00,000 Equity Shares of Rs. 10/- each		50,00,000	50,00,000
100,00,000 Equity Shares of Rs. 10/- each			20,00,000
2,00,000 Non-Convertible Redeemable Preference Shares of Rs. 100/- each		20,00,000	
(b) Issued, subscribed and paid up share capital:			
30,35,000 Equity Shares of Rs. 10/- each		30,35,000	30,35,000
1,30,35,000 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 at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount	No. of shares	Amount
1 Opening balance	3,035,000		3,035,000	30,350,000
2 Add: Dividend 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	3,035,00	30,350,00

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

Name of the Shareholder	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% holding	No. of shares	% holding
1 B. Sudheer Kumar	1,786,75	58.27%	1,786,75	58.87%
2 Vinod Kumar B	400,00	13.03%	400,00	13.18%
3 B. Sudh Kumar	177,86	5.80%	1,77,86	5.86%
4 Others holding less than 5% of shares each	201,64	22.88%	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 contracts) 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

(i) Change in Promoters holding during the year (%)

0.00

(ii) 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	1,784,75	58.27%	1,784,75	58.87%	-0.60%
(ii) B. Sudhakar Kumar	1,77,86	5.80%	1,77,86	5.84%	-0.04%
(iii) G. Subrahmanyan Har	94,00	3.07%	42,72	2.01%	1.06%
(iv) Shankar S. Kumar*	30,00	0.96%	30,00	0.99%	-0.03%
(v) Arvind S. Kumar*	40,00	1.30%	40,00	1.30%	-0.01%
(vi) G. Venkatesh	30,00	1.03%	30,00	1.03%	-0.00%

*Effective January 06, 2024, Mr. Shankar S. Kumar & Arvind S. Kumar, Mr. G. Venkatesh have been designated as promoter of the Company.

2. Reserves & Surplus

Particulars		As of March 31, 2024	As of March 31, 2023
(a) Capital Reserves			
1. Opening balance		850.00	850.00
2. Add: Additions during the year			
3. Less: Deletions during the year			
4. Closing balance		850.00	850.00
(b) Securities Premium			
1. Opening balance		2,775.00	2,775.00
2. Add: Additions during the year		9,487.50	
3. Add: Receivable during the year		365.00	
3. Less: Deletions during the year			
4. Closing balance		12,787.50	2,775.00
(c) General Reserve			
1. Opening balance		200.00	200.00
2. Add: Additions during the year			
3. Less: Deletions during the year			
4. Closing balance		200.00	200.00

(Amount in thousands)



(c) Reserve and Supplies

[illegible]

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3.1 Repayment and other terms:

Notes on accounts for the year ended March 31, 2024

Particulars	Terms	Current Maturity	Non-Current
State Bank of India			
Loan 1 - Term Loan			
TERM LOAN-SBI 376567164	Balance equated instalments of 33 months with a monthly instalment of Rs.1,00,000/- with an interest rate of 9.37%.	3,492.66	4,909.50
TERM LOAN-SBI 376654859B3	Balance equated instalments of 43 months with a monthly instalment of Rs.1,00,000/- with an interest rate of 9.37%.	1,300.00	2,716.25
COFIN TERM LOAN/SBI 38940260164	Balance equated instalments of 14 months with a monthly instalment of Rs.1,36,501/- with an interest rate of 9.35%.	1,698.112	0.61
TERM LOAN-SBI 42481923063	Loan from December 2024 consolidated for one month EMI out of 72 months for current outstanding of Rs.30,73,575/-, noted and sanctioned by 2.35 Gross with an interest rate of 9.50%.	893.72	11,780.00
Loan 3- SBI COVID LOAN GECL	Balance equated instalments of 11 months with a monthly instalment of Rs.8,42,115/- with an interest rate of 9.25%.	121.84	-
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% EMI Starts from May 2024	2,346.67	10,352.29
Vehicle Loan			
Vehicle Loan- Maruti Car	Balance equated instalments of 4 months with a monthly instalment of Rs.14,000/- with an interest rate of 11.55%	17.37	-
Axis Bank			
Vehicle Loan			
Vehicle Loan- Eicher RL 25H1176	Balance equated instalments of 8 months with a monthly instalment of Rs.29,578/- with an interest rate of 9.25%	171.44	0.00
Vehicle Loan- Eicher RL 25H1185	Balance equated instalments of 8 months with a monthly instalment of Rs.32,817/- with an interest rate of 9.25%	186.43	0.00
Vehicle Loan- Leyland 4244	Balance equated instalments of 3 months with a monthly instalment of Rs.31,993/- with an interest rate of 9.25%	76.84	0.00
Vehicle Loan- Leyland 4256	Balance equated instalments of 3 months with a monthly instalment of Rs.31,993/- with an interest rate of 9.25%	76.86	0.00
Vehicle Loan- Force Travelex RL2061433	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	31,117.58
Previous year			
		16,860.13	29,255.49



3.2 Details of Security:

Particulars	Securities Offered
(i) With State Bank of India : Loan 1- Term loan Loan 2- SBI COVID LOAN SECL Loan 3- SBI COVID LOAN SECL Extn Vehicle loan with Axis Bank - Vehicle 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 9,40,47 hectares (1.00 acre) of land, hypothecation of movable and immovable assets include 9,40,47 hectare and machinery kept in Purnia (Jharkhand) Districts & Korum unit and personal guarantee of three directors including Managing Director (fresh term loan of Rs. 124.76 lakh availed during the year) Guaranteed Emergency Cash (line SECL) against equitable mortgage of total 566.2 cents of land situated at various locations, equitable mortgage of lease right on 9,40,47 hectares (1.00 acre) of land, personal guarantee of three directors including Managing Director. Guaranteed Emergency Cash (line SECL) against equitable mortgage of total 566.2 cents of land situated at various locations, equitable mortgage of lease right on 9,40,47 hectares (1.00 acre) of land, personal guarantee of three directors including Managing Director. Term loan sanctioned on hypothecation of vehicle. Term loan sanctioned on hypothecation of vehicle.

4 Long-term Provisions

Particulars	As at March 31, 2024	As at March 31, 2023
Guaranty provided Non-Current Portion	7,432.06	7,044.52
Total	7,432.06	7,044.52

(Amount in thousands)



Notes on accounts for the year ended March 31, 2024

5. Short-Term Borrowings

Particulars	As of March 31, 2024	As of March 31, 2023
I Secured		
a) Working Capital Loan		
From Banks (See Note 3.1)	82,524.78	76,086.37
b) Current Maturities of Long Term Borrowings	10,438.57	16,860.13
Total	92,963.35	92,946.50

5.1 Repayment and other terms:

Particulars	Terms	Details of Securities	As of March 31, 2024	As of 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 a provisional basis, and are rounded off to nearest acres 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	22,077.50	10,777.95
	For expenses	2,974.48	2,099.30
		25,051.98	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	22,633.19	9,933.40
	Total	25,051.78	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
(a) MSME	2,295.05	155.34	4.30	
(b) Others	92,948.98	84.00		
(c) Disputed Dues- MSME				
(d) Disputed Dues- Others				
				Total
				2,418.79
				22,932.96

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
(a) MSME		2,943.94		
(b) Others	713.80	8,219.60		
(c) Disputed Dues- MSME	0.00	0.00		
(d) Disputed Dues- Others	0.00	0.00		
				Total
				2,943.94
				9,933.40



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 at the end of accounting year:		
- Principal	2,41,879	2,943,94
- Interest		
(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 arising due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises 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	235.59
Tax Collected at Source (TCS) payable	45.03	34.87
Goods and Service Tax payable	2,322.61	2,450.00
Provident Fund (PF) & Employees State Insurance (ESI) payable	503.49	603.06
Others		
Other Payment to Employees	131.34	14,797.20
Accrued expense	8,871.08	1,192.31
Advances from customers	543.96	
Total	12,844.25	19,333.24

8 Short-Term Provisions

Particulars	As of March 31, 2024	As of March 31, 2023
Provision For Expense	5,030.57	5,322.76
Provision For Tax	2,474.74	1,391.22
Total	7,545.31	6,713.97



SOLVE PLASTIC PRODUCTS LIMITED
TRADING CODE NO. PUNALUR
(CIN : U25206KL1994PLC160823)

0. Property, Plant and Equipment and Intangible Assets

(Amount in Rupees)

Description	GROUP BLOCK				DEPRECIATION/AMORTIZATION				NET BLOCK	
	Opening balance	Additions during the year	Disposals/Through Business Combination	Disposals/Write-off	Charge for the year	Depreciation/Amortization	Reversals	Closing balance	As on 31.03.2024	As on 31.03.2023
9.4) Tangible Assets										
Land and Building	11,720.78	0.00	-	-	-	-	-	28,273.10	11,720.78	11,720.78
Computer & Accessories	38,152.54	833.85	-	-	2,107.82	-	-	1,843.37	39,994.11	38,152.54
Electrical Installation	1,620.00	224.10	-	-	1,410.29	-	-	433.81	1,386.71	1,620.00
Furniture and Fitting	2,187.28	0.00	-	-	4,007.33	-	-	1,820.05	377.23	2,187.28
Motor Vehicle	1,254.00	0.00	-	-	1,275.40	-	-	34.60	1,219.40	1,254.00
Office equipment	2,473.07	480.77	-	-	1,068.69	-	-	1,885.15	307.92	2,473.07
Plant & Machinery	89,041.52	6,400.01	-	-	2,118.83	331.29	-	92,633.99	90,555.28	89,041.52
Leasehold Intangible Assets										
Software	246.00	0.00	-	-	0.00	802.81	-	1,048.81	246.00	246.00
Goodwill	2,407.00	0.00	-	-	0.00	0.00	-	2,407.00	2,407.00	2,407.00
Total	1,03,003.62	7,603.86	-	-	1,526.14	1,134.10	-	1,10,981.34	1,10,981.34	1,03,003.62
9.5) Intangible Assets										
Goodwill	246.00	0.00	-	-	0.00	0.00	-	246.00	246.00	246.00
Total	246.00	0.00	-	-	0.00	0.00	-	246.00	246.00	246.00
Total	1,03,249.62	7,603.86	-	-	1,526.14	1,134.10	-	1,11,227.34	1,11,227.34	1,03,249.62



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	3,918.57
(b)	Deferred Expenditure-Non Current Portion	705.86	
	Total	4,857.54	3,918.57

11 Inventories

		(Amount in thousands)	
	Particulars	As of March 31, 2024	As of March 31, 2023
(a)	Raw materials	22,214.72	15,391.95
(b)	Finished Goods	46,511.77	43,757.67
(c)	By Product - PVC	3,020.75	7,270.04
	Total	76,163.22	68,919.49

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	3,960.88
	Others	37,108.80	28,772.10
(b)	Allowance for bad and doubtful assets		
	Less: Provision for bad & doubtful debts	(1,610.67)	(3,202.71)
(c)	Debits due by		
	Directors of the Company other 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 shareholder		
	Total	60,538.97	41,192.70



Notes on accounts for the year ended March 31, 2024

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	40,271.84	1,895.07	1,106.04	5.82	5,579.56
(b) Undisputed Trade Receivables - Considered doubtful	-	-	-	-	-
(c) Disputed Trade Receivables - Considered good	11.30	366.46	128.26	539.02	657.71
(d) Disputed Trade Receivables - Considered doubtful	-	-	-	78.43	1,531.26
Total					48,651.23
					1,688.74
					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	100.14
(d) Disputed Trade Receivables - Considered doubtful	-	-	509.19	152.21	1,102.54
Total					39,832.13
					759.34
					1,763.94

13 Cash and Cash Equivalents

		[Amount in thousands]	
Particulars		As of March 31, 2024	As of March 31, 2023
(a) Balance with Banks			
In Current accounts		57.59	32.64
(b) Cash on hand		36.21	53.44
Total		93.80	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
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	3,650.00
Tax deducted at source (TDS) receivable	29.56	54.83
Tax collected at source (TCS) receivable	20.30	34.23
Minimum Alternative Tax (MAT) credit entitlement	4,008.95	1,384.29
KVAT Refund Receivable	0.00	26.40
Disputed tax	47.74	71.00
Advance for expenses	347.81	445.40
Advance for capital expenses	2,491.17	0.00
Loans and advances to Employees	26.37	3.39
Other advance	7.58	9.77
GST Receivable	1,898.09	1,160.64
Total	12,727.43	6,974.10

(Amount in thousands)		
Particulars	As of March 31, 2024	As of March 31, 2023
14.1 Loans and advances due by:		
(a) Directors 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	1,913.03	3,857.40
(c) Security Premium Receivable from Balakrishnan Neat	375.00	
(d) Deferred Expenditure-Current Portion	28.43	
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)	139.51	300.13
(f)	Insurance Claim Received	233.53	109.25
(g)	Sundry Creditors written back	-	487.75
	Total	9,640.25	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: I Finished Goods	51,527.51	47,723.54
(b)	less: Closing stock: I Finished Goods	53,948.50	51,527.51
	Total	-2,420.99	-3,803.97



SOLVE PLASTIC PRODUCTS LIMITED,
THOUCODE PO PUNALUR
CIN : U25209KL1994PLC008231
Notes to Statement of Profit and Loss
20 Employee Benefit Expenses

(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	49,298.59	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	1,108.09	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	158.54	256.68
	Total	7,706.24	8,270.19



SOLVE PLASTIC PRODUCTS LIMITED,
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Notes to Statement of Profit and Loss

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
Fines & penalties	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
Traveling and conveyance	5,698.43	4,920.32
Firing 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	2,938.51
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	7,276.00
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 year 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
THOLICODU, PUNALUR
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
GBN 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
GBN 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 ratio 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. *Current Ratio = Current assets / Current liabilities.*
- b. *Debt Equity Ratio = Total borrowings / Total equity.*
- c. *Debt Service Coverage Ratio = Earnings before interest, tax and exceptional item / (Interest on borrowings (net of transfer to expenditure during construction) + Principal repayments of Long Term borrowings).*
- d. *Return on Equity ratio = Profit for the year / Average Total equity.*
- e. *Inventory turnover = Revenue from operations / Average inventories*
- f. *Trade receivable turnover = Revenue from operations / Average trade receivables.*
- g. *Trade payable turnover = Revenue from operations / Average trade payables.*
- h. *Net capital turnover ratio = Revenue from operations / Working Capital.*
- i. *Net Profit Margin (%) = Profit for the period / Revenue from operations.*
- j. *Return on Capital employed = Profit Before Interest, Dividend Income & Tax (PBIT excluding Dividend Income) / Capital Employed.*

10.2 The Company is not a declared Willful 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.

