

R.G.N. Price & Co.

CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To The Members of
Solve Plastic Products Limited, Tholicodu, Punalur

Report on the Audit of the Standalone Financial Statements

1. Opinion

We have audited the accompanying Standalone financial statements of **Solve Plastic Products Limited, Tholicodu, Punalur** (*“the Company”*) which comprises the Balance Sheet as at 31st March 2025, the Statement of Profit and Loss and Statement of cash flows for the year then ended, 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 standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2025, and **LOSS** and its cash flows for the year ended on that date.

2. 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.

3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of these Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:



Head Office: Chennai; Branches at: Mumbai | Bengaluru | Kochi | Kozhikode

Key Audit Matter	How our audit addressed the matter
<p data-bbox="228 331 746 421">Financial Reporting and Disclosures relating to the Initial Public Offering (IPO) and any Restated Financial Information</p> <p data-bbox="228 454 746 521">(Refer Note 26.8 to the Standalone Financial Statements)</p> <p data-bbox="228 555 746 1317">The Company successfully completed its Initial Public Offering (IPO) on the NSE SME platform during the year. Events such as an IPO involve complex accounting treatments for the issuance of shares, associated costs, and require comprehensive disclosures in compliance with regulatory requirements and accounting standards. Furthermore, information indicated the possibility of restated financial information for prior periods in connection with the IPO process. Such restatements require significant audit attention to understand their nature, the underlying reasons, and the financial impact, ensuring they are appropriately accounted for and disclosed. Considering the significance of the above matter to the overall financial statements and extent of management's estimates and judgements involved, the accuracy, completeness, and compliance of the financial reporting and disclosures surrounding these significant events required significant auditor attention. Accordingly, we have identified this as a key audit matter.</p>	<p data-bbox="778 331 1426 387">Our audit procedures included, but were not limited to, the following:</p> <ul style="list-style-type: none"> <li data-bbox="786 421 1426 521">i. Reviewed relevant documents related to the IPO, including the prospectus and other regulatory filings, to understand the terms and conditions. <li data-bbox="786 555 1426 645">ii. Examined the accounting treatment for the proceeds from the share issue and the associated IPO expenses, ensuring compliance with applicable accounting standards. <li data-bbox="786 678 1426 880">iii. Where financial information (including previous year comparatives) was restated, we obtained and evaluated management's basis for such restatements, reviewed supporting evidence for the adjustments made, and assessed whether these were accounted for and disclosed correctly. <li data-bbox="786 913 1426 1070">iv. Focused on the adequacy and completeness of disclosures in the financial statements relating to the IPO, including the utilization of IPO proceeds (if applicable within the period), changes in equity, and the details and impact of any restated comparative information. <li data-bbox="786 1104 1426 1205">v. Obtained written representations from management and those charged with governance, wherever considered necessary

4. Other Matters

- i. The Financial Statements of the Company for the year ended March 31, 2024, were audited by predecessor audit firm. The predecessor auditor's report, dated July 22, 2024, expressed an unmodified opinion on those financial statements.

Our opinion is not modified in respect of this matter.

5. Information other than the Financial Statements and Auditors Report thereon

The Company's Board of Directors is responsible for the Information other than the financial statements and auditors report thereon. The said information comprises the information included in the Directors Report (Other information), but does not include the financial statements and our audit report thereon. The Other Information is expected to be made available to us after the date of this auditor's report

Our opinion on the financial statements does not cover the other information and we will 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 identified above when it becomes available, and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, otherwise appear 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.

6. Responsibility of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone 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.

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

7. Auditor's Responsibility 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 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.

8. 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 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 standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2025 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. The managerial remuneration for the year ended March 31, 2025, has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (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:



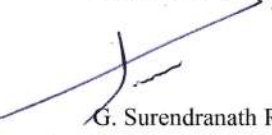
- a. The Company does not have any pending litigations which would impact its financial position except for as disclosed in Note 26.2 of the financial statements.
- b. The Company did not have any long-term contracts, including derivative contracts, for which there were any material foreseeable losses.
- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- d. (i) The management, as explained in Note No.26.11.1 of the financial statements, has represented that, to the best of it's 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 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.

(ii) The management, as explained in Note No.26.11.2 of the financial statements, has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, 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

Based on such audit procedures, 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) of Rule 11(e) contain any material mis-statement.

- e. The Company has not declared or paid any dividend during the year.
- f. Based on our examination which included test checks, the company has used accounting software for maintaining its books of accounts which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further during the course of our audit, we did not come across any instance of audit trail feature being tampered with in respect to the accounting software. Additionally, the audit trail has been preserved by the company as per the statutory requirements for documentation retention.

For R. G. N. Price & Co.,
Chartered Accountants


G. Surendranath Rao
Partner, M. No. 022693
FRN: 002785S

UDIN: 25022693BMKMVP7421
Place: Kollam
Date: May 23rd, 2025



ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF SOLVE PLASTIC PRODUCTS LIMITED, PUNALUR.

(Referred to in paragraph 8(1) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

i.) **Fixed Assets:** In respect of the Company's Property, Plant and Equipment (PPE) and Intangible Assets:

- (a) (A) The Company has maintained records showing particulars of fixed assets including quantitative details and location. The Company is in the process of updating the same.
- (B) The company has maintained records showing particulars of Intangible Assets.
- (b) These Properties, Plant and Equipment have been physically verified by the management at reasonable intervals.
- (c) The title deeds to the immovable properties owned by the company are held in the name of the company
- (d) The company has not revalued its Property, Plant and Equipment during the year.
- (e) As per the information and explanations furnished to us, no proceedings have been 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.

ii.) **Inventories**

(a) The inventories have been physically verified by the management during the year at reasonable intervals. The discrepancies noticed on physical verification of stock were not material having regard to the size of the operation of the company.

(b) The company has been sanctioned /renewed working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets during the year. In our opinion and according to the information and explanations furnished to us, the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of accounts of the Company, except in the instances disclosed in Note No 7.2 to the financial statements.

iii) **Investments/Loans/Advances and Guarantees**

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.



iv) Compliance with Sec 185 and Sec 186

In our opinion and according to the information and explanations given to us, the company had not granted any loans to parties to whom provisions of Sec 185 applies and consequently clauses relating to terms and conditions of loan, payment of interest and repayment of principal and status of overdue are not applicable.

In our opinion and according to the information and explanations given to us, the company has not made any investments, guarantees during the year to which the provisions of Section 185 and 186 of the Companies Act 2013 applies.

v.) Deposits

In our opinion and according to the information and explanations given to us, the company has not accepted any deposits to which the provisions of Section 73 to 76 of the Companies Act, 2013 and rules made there under applies.

vi.) Cost Records

In our opinion and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the company.

vii) Statutory Dues

- (a) The company was generally regular in depositing with appropriate authorities undisputed statutory dues towards Provident Fund, Employees State Insurance, Income Tax, Goods & Service Tax, duty of customs, cess and other statutory dues, wherever applicable. There were no arrears of undisputed statutory dues as on the last day of the financial year for a period of more than six months from the date they became payable.
- (b) According to the records of the company, there were no unpaid disputed statutory dues outstanding as on the date of balance sheet

viii) Undisclosed Income

In our opinion and according to the information and explanations given to us, there are no transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix) Repayment of Loans

In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of interest and principal to banks and financial institutions.

- (a) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of interest and principal to any lender.
- (b) Based on the information and explanations given to us, the company has not been declared a wilful defaulter by any bank or financial institution or any other lender;



- (c) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.
- (d) 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.
- (e) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

x) Application of funds raised

In our opinion and according to the information and explanations given to us, and based on our examination of the records of the Company:

- (a) The moneys raised by the Company through its Initial Public Offer on the Emerge Platform of the National Stock Exchange (NSE) during the year (including the share premium collected) were applied/ear-marked for the purposes for which they were raised, as detailed in the related prospectus.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year that would require reporting under this clause based on compliance with Section 42 and Section 62 of the Companies Act, 2013.

xi) Frauds

- (a) According to the information and explanations given to us, no fraud, on or by the company, has been noticed or reported during the year.
- (b) As no fraud, on or by the company, has been noticed or reported during the year, reporting under this clause as per section 143(12) is not applicable.
- (c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.

xii) Managerial Remuneration

In our opinion and according to the information and explanations given to us, managerial remuneration has been paid in accordance with section 197 read with Section II under Part II of Schedule V of the Companies Act, 2013.

xiii) Nidhi Company

In our opinion and according to the information and explanations given to us, the company is not a Nidhi company and hence this clause is not applicable to the company.



xiv) Related Party Transactions

In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Section 188 of the Companies Act, 2013 wherever applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.

In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and section 188 of the Companies Act, 2013, wherever applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.

xv) Internal Audit

- (a) In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit report of the company issued for the quarter ended 31.12.2024, which is the only report issued till date, for the period under audit.

xvi) Non-Cash Transactions

As explained to us, the company has not entered into any non-cash transactions with directors or other persons during the year

xvii) Registration with RBI

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.

xviii) Cash Losses

The company has incurred cash losses of ₹ 358.85 Lakhs during the financial year.

xix) Resignation of Auditor

According to the information and explanations given to us, there has been no resignation of the statutory auditors during the year under audit. Consequently, the requirement to consider issues, objections or concerns raised by outgoing auditors under clause 3(xix) of the Order does not arise.

xx) Going Concern

According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans as further detailed in Note 26.7 to the financial statements and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, 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.



xxi) Corporate Social Responsibility

The company was not required to spend any amount towards CSR and hence reporting under this clause is not applicable

xxii) Observations by component auditors

The company does not have any subsidiaries/associates/joint ventures and hence reporting under this clause is not applicable.

For R. G. N. Price & Co.,
Chartered Accountants

G. Surendranath Rao
Partner, M. No. 022693
FRN: 002785S

UDIN: 25022693BMKMVP7421
Place: Kollam
Date: May 23rd, 2025



ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF SOLVE PLASTIC PRODUCTS LIMITED, THOLICODU, PUNALUR.

(Referred to in paragraph 8(2)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of Solve Plastic products Limited ("the Company") as of March 31, 2025, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in



accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- 3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, 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 R. G. N. Price & Co.,
Chartered Accountants

G. Surendranath Rao
Partner, M. No. 022693
FRN: 002785S

UDIN: 25022693BMKMVP7421
Place: Kollam
Date: May 23rd, 2025



SOLVE PLASTIC PRODUCTS LIMITED
THOLICODE PO, PUNALUR
CIN : U25209KL1994PLC008231
BALANCE SHEET AS AT 31-03-2025

(₹ in lakhs)

Particulars	Note No.	As at March 31, 2025 (Rs.)	As at March 31, 2024 (Rs.)
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	3	436.83	306.63
(b) Reserves and surplus	4	560.98	132.16
(2) Non-current liabilities			
(a) Long-term borrowings	5	285.70	311.18
(b) Long term Provisions	6	86.12	74.32
(3) Current liabilities			
(a) Short-term borrowings	7	700.24	929.63
(b) Trade payables :			
(i) Total outstanding dues of micro & small enterprises	8	48.91	24.19
(ii) Total outstanding dues of creditors other than micro and small enterprises		102.54	229.33
(c) Other current liabilities	9	163.67	128.64
(d) Short-term provisions	10	48.09	75.45
TOTAL		2,433.07	2,211.53
II. ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment and Intangible assets			
(i) Property, Plant and Equipment	11.i	577.00	506.86
(ii) Intangible assets	11.ii	18.84	19.07
(iii) Capital Work in progress	11.iii	10.97	89.32
(b) Deferred tax assets (net)		203.86	114.27
(c) Other non-current assets	12	40.67	48.58
(2) Current assets			
(a) Inventories	13	602.86	761.63
(b) Trade receivables	14	442.43	505.40
(c) Cash and Bank Balances	15	296.86	0.97
(d) Short-term loans and advances	16	219.03	127.28
(e) Other current assets	17	20.53	38.17
TOTAL		2,433.07	2,211.53

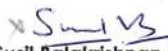
Notes to accounts, significant accounting policies and other explanatory statements form part of accounts

Note no. 18 & 22A

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

For Solve Plastic Products Limited


B. Sudheer Kumar
DIN: 00858893
(Managing Director)

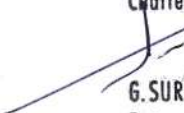

Susil Balakrishnan Nair
DIN: 00949872
(Whole-Time Director)


Govind Vinodkumar
DIN: 09798804
(Executive Director)


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

Place: Punalur
Date: 23.05.2025

For **R.G.N. PRICE & CO.**
Chartered Accountants


G. SURENDRANATH RAO
Partner
M.No.022693, FR No.0027855

UDIN: 25022693BMKMP7421



SOLVE PLASTIC PRODUCTS LIMITED
THOLICODE PO, PUNALUR
CIN : U25209KL1994PLC008231

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2025

(₹ in lakhs)

Particulars		Note No.	For The Year Ended March 31, 2025 (Rs.)	For The Year Ended March 31, 2024 (Rs.)
I	Revenue from operations	18	4,146.03	4,619.13
II	Other Income	19	37.67	96.60
III	Total Income (I +II)		4,183.70	4,715.73
IV	Expenses			
	(a) Cost of materials consumed	20	2,922.81	3,060.82
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	21	45.27	(21.68)
	(c) Employee benefits expense	22	547.77	492.99
	(d) Finance Costs	23	98.64	150.87
	(e) Depreciation and amortization expense	24	95.05	77.06
	(f) Other expenses	25	1,025.56	811.01
	Total Expense		4,735.11	4,571.08
V	Profit before tax (III - IV)		(551.40)	144.66
VI	Tax expense			
	(a) Current tax		-	-
	(b) Tax Expense related to Earlier Years		17.00	-
	(c) Deferred tax		(89.59)	2.18
VII	Profit (Loss) after Tax for the period (V - VI)		(478.81)	142.48
VIII	Earnings per equity share:			
	(a) Basic		(12.38)	4.66
	(b) Diluted		(12.38)	4.66


Notes to accounts, significant accounting policies and other explanatory statements form part of accounts


Note no. 1 & 2, 26


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

For R.O.N. PRICE & CO.
Chartered Accountants

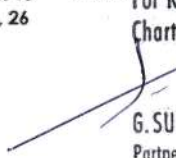
For Solve Plastic Products Limited


B. Sudheer Kumar
DIN: 00858893
(Managing Director)


Susil Balakrishnan Nair
DIN: 00949872
(Whole-Time Director)


Govinda Vinodkumar
DIN: 09798804
(Executive Director)


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


G. SURENDRANATH RAO
Partner
M.No.022693, FR No.0027855
UDIN: 25022693BMKMP7421

Place: Punalur
Date: 23.05.2025



SOLVE PLASTIC PRODUCTS LIMITED
THOLICODE PO,PUNALUR
CIN : U25209KL1994PLC008231
CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2025

(₹ in lakhs)

Particulars	F.Y. ended 31.03.2025	F.Y. ended 31.03.2024
I. Cash Flows from Operating Activities		
Net (Loss)/Profit before Tax	(551.40)	144.66
Adjustments for:		
Interest expense	94.63	133.33
Interest income	(1.93)	(1.08)
Profit on sale of Fixed Asset	(0.22)	(1.60)
Net loss on foreign currency translation	0.36	-
Provision for Bad & Doubtful Debts	27.50	-
Provision for Non-Moving Inventory	69.63	-
Provision for gratuity	14.87	8.94
Depreciation	95.05	77.06
Operating profit before working capital changes	(251.50)	361.31
Adjustments for:		
(Increase)/ Decrease in Loans & Advances	7.90	(9.39)
Increase/(Decrease) in Current Liabilities	(94.77)	68.37
Decrease/(Increase) in Current Assets	44.74	(229.13)
Decrease/(Increase) in Non Current Liabilities	(3.07)	(5.06)
Cash generated from operating activities	(296.70)	186.10
Less: Direct Taxes paid	11.25	-
Net Cash generated from operating activities	(307.95)	186.10
II. Cash Flows from Investing Activities.		
Proceeds from Sale of Fixed Assets	0.70	3.85
Acquisition of Fixed Assets	(87.10)	(180.14)
Interest Received	1.93	1.08
Net Cash Flows from Investing Activities	(84.47)	(175.21)
III. Cash Flows from Financing Activities.		
Increase in Share Capital (Net of share issue expenses)	1,037.82	103.75
Acceptance/(Repayment) of borrowings	(254.87)	18.79
Interest Paid	(94.63)	(133.33)
Net Cash Flows from Financing Activities	688.32	(10.79)
Net Cash Flows during the year (I + II + III)	295.90	0.11
Cash & Cash Equivalents at the beginning of the year	0.97	0.86
Cash & Cash Equivalents at the end of the year	296.86	0.97

Notes to Cash Flow Statement

Statement of cash flow has been prepared under the indirect method

Components of Cash and Cash Equivalents:


Particulars	As at 31.03.2025	As at 31.03.2024
Cash on Hand	0.44	0.39
Balance with Banks	296.42	0.58
Total	296.86	0.97

Notes to accounts, significant accounting policies and other explanatory statements form part of accounts


Note no. 1 & 2,26


This is the Statement of
Cash Flows prepared by
our report of even date
P. SURENDRANATH RAO & CO.
Chartered Accountants


For Solve Plastic Products Limited


B. Sudheer Kumar
DIN: 00858893
(Managing Director)


Susil Balakrishnan Nair
DIN: 00949872
(Whole-Time Director)


Gouinda Vinodkumar
DIN: 09798804
(Executive Director)


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


G. SURENDRANATH RAO
Partner
M.No.022693, FR No.0027855

UDIN: 25022693BMKMVP7421

Place: Punalur
Date: 23.05.2025



Notes on accounts for the year ended March 31, 2025

3 Share Capital

(₹ in lakhs)

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of shares	Amount	No. of shares	Amount
(a) Authorised share capital				
50,00,000 Equity Shares of Rs. 10/- each (50,00,000 Equity Shares of Rs. 10/- each)		500.00		500.00
2,00,000 Non-Convertible Redeemable Preference Shares of Rs. 100/- each		200.00		200.00
(b) Issued, subscribed and paid up share capital				
43,68,250 Equity Shares of Rs. 10/- each (30,66,250 Equity Shares of Rs. 10/- each)		436.83		306.63

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

Equity Shares	As at March 31, 2025		As at March 31, 2024	
	No. of shares	Amount	No. of shares	Amount
1 Opening balance	30.66	306.63	30.35	303.50
2 Add: Initial Public Offer made during the year	13.02	130.20	-	-
3 Add: Private Placement made during the year			0.31	3.13
4 Closing balance	43.68	436.83	30.66	306.63

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

Name of the Shareholder	As at March 31, 2025		As at March 31, 2024	
	No. of shares	% holding	No. of shares	% holding
1 B. Sudheer Kumar	17.87	40.90%	17.87	58.27%
2 Vinod Kumar B	4.00	9.16%	4.00	13.05%
3 B.Susil Kumar	1.78	4.07%	1.78	5.80%



Notes on accounts for the year ended March 31, 2025

3.3 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	0.55

3.4 Shares held by promoters at the end of the year

(i) Change in Promoters holding during the year (%)	(21.18%)	0.30%
---	----------	-------

(ii) Details of Promoters shareholding

Promoters Name	As of March 31, 2025		As of March 31, 2024		% Change during the Year
	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	
(i) B. Suchneer Kumar	17.87	40.90%	17.87	58.27%	(17.37%)
(ii) B. Susil Kumar	1.78	4.07%	1.78	5.80%	(1.73%)
(iii) G. Balakrishnan Nair	0.94	2.15%	0.94	3.07%	(0.91%)
(iv) Shankar S Kumar*	0.30	0.69%	0.30	0.98%	(0.29%)
(v) Aravind S Kumar*	0.40	0.92%	0.40	1.30%	(0.39%)
(vi) Govind Vinod*	0.50	1.14%	0.50	1.63%	(0.49%)
TOTAL	21.79	49.87%	21.79	71.05%	(21.18%)

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



Notes on accounts for the year ended March 31, 2025

4 Reserves & Surplus

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Capital Reserves		
1 Opening balance	8.50	8.50
2 Add: Additions during the year		
3 Less: Deletions during the year		
4 Closing balance	8.50	8.50
(b) Securities Premium		
1 Opening balance	127.88	127.88
2 Add: Additions during the year	1,054.62	100.63
4 Less: Deletions during the year	147.00	
5 Closing balance	1,035.50	127.88
(c) General Reserve		
1 Opening balance	2.00	2.00
2 Add: Additions during the year		
3 Less: Deletions during the year		
4 Closing balance	2.00	2.00
(d) Reserve and Surplus		
1 Opening balance	8.00	8.00
2 Add: Additions during the year		
3 Less: Deletions during the year		
4 Closing balance	8.00	8.00
(e) Surplus in Statement of Profit and Loss		
1 Opening balance	(14.21)	(156.69)
2 Add: Profit / (loss) for the year	(478.81)	142.48
3 Closing balance	(493.02)	(14.21)
Total	560.98	132.16

5 Long-Term Borrowings

Particulars	As at March 31, 2025	As at March 31, 2024
Secured Loans		
Term loans		
- From Banks (See Note 5.1 & 5.2)	285.70	311.18
Total	285.70	311.18



Notes on accounts for the year ended March 31, 2025

5.1 Repayment and other terms:

Particulars	Terms	Current Maturity	Non-Current
State Bank of India			
Term Loans with State Bank of India	Term Loans are repayable in equated monthly instalments over remaining tenure upto 72 months carrying interest rates ranging from 9.25% to 9.50% per annum. Interest is charged based on prevailing MCLR plus applicable margins.	87.41	212.86
SBI COVID LOAN Guaranteed Emergency Credit Line Extn	This term loan is repayable in equated instalments over remaining tenure of 60 months with a monthly instalment of Rs 2,13,334/- with an interest rate of prevailing EBLR plus applicable margins	25.60	63.99
Axis Bank			
Vehicle Loan - Force Traveller KL25R1433	Balance equated instalments of 60 months with a monthly instalment of Rs 30,485/- with an interest rate of 9.25%	2.70	8.85
	Current Year	115.72	285.70
	Previous Year	104.39	311.18

5.2 Details of Security:

Particulars	Securities Offered
(i) With State Bank of India - Term Loans and COVID LOAN GECL	Secured against equitable mortgage of specified freehold and leasehold land parcels, hypothecation of specified movable and fixed assets including plant and machinery and personal guarantee provided by certain directors of the company.
(ii) With Axis Bank - Vehicle Loan	Term loan sanctioned on hypothecation of vehicle.



Notes on accounts for the Year ended March 31, 2025

6 Long-Term Provisions

Particulars	As of March 31, 2025		As of March 31, 2024	
Gratuity payable	86.12			74.32
Total	86.12			74.32

7 Short-Term Borrowings

Particulars	As of March 31, 2025		As of March 31, 2024	
Secured Loans				
a) Loans repayable on demand				
From Banks (See Note 7.1)	584.52			825.25
b) Current Maturities of Long Term Borrowings	115.72			104.39
Total	700.24			929.63

7.1 Repayment and other terms:

Particulars	Terms	Details of Securities	As of March 31, 2025	As of March 31, 2024
State Bank of India Cash Credit Account	Repayable on demand at an interest rate of 9.25%	Working capital sanctioned by State Bank of India on hypothecation of stock, receivables and other current assets, second charge on movable and immovable assets of the company including plant & machinery and guaranteed by three Directors. Interest at the rate of .35% above the external benchmark rate/ marginal cost of fund based lending rate (MCLR).	584.52	825.25
			584.52	825.25



Notes on accounts for the year ended March 31, 2025

7.2 Other disclosures

Summary of Reconciliation of Current Assets in the nature of security as per Books of accounts with Quarterly Returns/Statements furnished before 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		Inventories	772.00	771.67	0.33	The differences that have arisen are primarily due to the provisional nature of data used for quarterly bank reporting prepared before final accounts closure, including rounding adjustments made in those submissions. These variances are not considered material.
		Receivables	539.00	539.44	-0.44	
		Other Current Asset	121.00	120.91	0.09	
		Inventories	732.00	732.05	-0.05	
Q2		Receivables	507.00	506.67	0.33	
		Other Current Asset	735.00	735.33	-0.33	
		Inventories	848.00	848.24	-0.24	
		Receivables	374.00	373.67	0.33	
Q3	State Bank of India	Other Current Asset	196.00	195.67	0.33	
		Inventories	603.00	602.86	0.14	
		Receivables	442.00	442.43	-0.43	
		Other Current Asset	536.00	536.42	-0.42	
Q4						



8 Trade Payables

Notes on accounts for the year ended March 31, 2025

Particulars	As at March 31, 2025		As at March 31, 2024	
	For goods supplied	For expenses		
(a) Total outstanding dues of micro & small enterprises			140.61	223.77
(b) Total outstanding dues of creditors other than micro and small enterprises			10.84	29.74
			151.45	253.52
			48.91	24.19
			102.54	229.33
Total			151.45	253.52

8.1 Trade Payables ageing schedule

As at March 31, 2025

Particulars	Not due	Outstanding for the following periods from the due date of payment				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(a) MSME	39.77		12.12	-	-	51.89
(b) Others	98.95		0.61	-	-	99.56
(c) Disputed Dues- MSME	-	-	-	-	-	-
(d) Disputed Dues- Others	-	-	-	-	-	-
Total	138.71		12.73			151.45

As at March 31, 2024

Particulars	Not due	Outstanding for the following periods from the due date of payment				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(a) MSME	22.59		1.56		0.04	24.19
(b) Others	228.49		0.84		-	229.33
(c) Disputed Dues- MSME	-	-	-	-	-	-
(d) Disputed Dues- Others	-	-	-	-	-	-
Total	251.08		2.40		0.04	253.52



Notes on accounts for the year ended March 31, 2025

The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with Company is as under :

	Particulars		
	As of March 31, 2025	As of March 31, 2024	
(i)	The amount remaining Unpaid as at the end of accounting year. -Principal -Interest	51.89	24.19
(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	0.09	0.08
(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.		

9 Other Current Liabilities

(a)	Particulars			
		As of March 31, 2025	As of March 31, 2024	
Other payables Statutory liabilities	Tax Deducted at Source (TDS) payable	4.17		2.47
	Tax Collected at Source (TCS) Payable	0.38		0.45
	Goods and Service Tax payable	31.19		25.23
	Provident Fund (PF) & Employees State Insurance (ESI) payable	5.03		5.53
	Others			
	Other Payment to Employees			1.31
	Accrued expense	112.46		88.21
	Credit Card Dues Payable	0.25		
	Income Received in Advance	10.17		5.44
	Total	163.67		128.64



Note 11
Property, Plant and Equipment and Intangible assets

(₹ In lakhs)

Description	GROSS BLOCK					DEPRECIATION/AMORTISATION					NET BLOCK	
	Opening balance	Additions during the Year	Disposals/Adjustment \$	Closing balance	Opening balance	Charge for the Year	Deletions / Adjustments	Closing balance	As at 31.03.2025	As at 31.03.2024		
I. Tangible Assets												
Freehold land	117.50	-	-	117.50	-	-	-	-	117.50	117.50		
Building	398.69	49.61	-	448.30	242.72	26.15	-	268.87	179.42	155.97		
Computer & Accessories	18.44	0.82	-	19.26	16.70	1.43	-	18.13	1.13	1.74		
Electrical Installation	49.86	-	-	49.86	48.16	0.64	-	48.80	1.06	1.70		
Furniture and Fittings	21.94	0.54	-	22.49	15.75	2.38	-	18.14	4.35	6.19		
Mandrel	12.55	-	-	12.55	11.19	0.36	-	11.55	1.00	1.35		
Office equipment	25.61	1.17	-	26.77	20.76	2.37	-	23.13	3.64	4.84		
Plant & Machinery	862.86	110.81	-	973.67	662.62	52.89	-	715.51	258.17	200.24		
Pulveriser	4.02	-	-	4.02	3.76	0.06	-	3.82	0.20	0.26		
Pvc Scrap Grinder	2.14	-	-	2.14	2.03	0.02	-	2.05	0.09	0.11		
Vehicles	162.15	-	20.24	141.91	145.20	6.03	19.76	131.47	10.45	16.95		
Total (A)	1,675.76	162.95	20.24	1,818.48	1,168.90	92.33	19.76	1,241.47	577.00	506.86		
II. Intangible Assets												
Software	7.46	-	-	7.46	7.20	0.17	-	7.37	0.09	0.26		
Website	-	2.50	-	2.50	-	1.81	-	1.81	0.69	-		
Leasehold Premium	24.07	-	-	24.07	5.26	0.74	-	6.00	18.07	18.81		
Total(B)	31.53	2.50	-	34.03	12.46	2.73	-	15.19	18.84	19.07		
GRAND TOTAL	1,707.29	165.45	20.24	1,852.51	1,181.36	95.05	19.76	1,256.66	595.85	525.93		
(Previous Year)	1,630.97	90.82	14.50	1,707.29	1,116.54	77.06	12.24	1,181.36	525.93	514.43		
III. Capital Work In progress	89.32	10.97	89.32	10.97	-	-	-	-	10.97	89.32		



IV Capital Work-in Progress - Ageing

For the Financial Year ended 31.03.2025

Capital Work-in-progress	Amount in CWIP for a period of			Total
	Less than 1 year	2-3 Years	More than 3 years	
Projects in Progress - UPS	10,97,000.00	-	-	10,97,000.00
Total	10,97,000.00	-	-	10,97,000.00

Installation of UPS is not yet completed

For the Financial Year ended 31.03.2024

Nature of Project	Capital Work-in-progress	Amount in CWIP for a period of			Total
		Less than 1 Year	2-3 Years	More than 3 Years	
Projects in Progress	Ware House - Kannur	14,00,456.00	-	-	14,00,456.00
	Inkjet Printer	14,62,026.00	-	-	14,62,026.00
	Bending Machine	17,43,234.00	-	-	17,43,234.00
	Chilling Plant	14,89,470.00	-	-	14,89,470.00
	Inkjet Printer	9,19,667.64	-	-	9,19,667.64
	Dies & Moulds	19,17,000.00	-	-	19,17,000.00
		89,31,853.64	-	-	89,31,853.64

V. Title deeds of immovable property held in name of the Company

The title deeds to the immovable properties owned by the company are held in the name of the company. The immovable properties owned by the company are offered to banks/financial institutions as security for the loans. Title deeds of these properties are with banks/financial institutions.

VI. No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder



10 Short-Term Provisions

Notes on accounts for the year ended March 31, 2025

Particulars		As at March 31, 2025	As at March 31, 2024
	Provision For Expense	44.89	46.82
	Provision For Employee Benefit Expenses	3.21	3.88
	Provision For Tax		24.75
	Total	48.09	75.45

12 Other non-current assets

Particulars		As at March 31, 2025	As at March 31, 2024
I	Unsecured, considered good		
(a)	Security Deposits	40.67	41.52
(b)	Deferred Expenditure-Non Current Portion		7.06
	Total	40.67	48.58

13 Inventories

Particulars		As at March 31, 2025	As at March 31, 2024
(a)	Raw materials - At cost	180.81	224.88
(b)	Finished Goods - At cost or NRV whichever is lower	426.96	449.35
(c)	Ry Product - PVC - At NRV	43.01	75.25
(d)	Accessories, Spares & Parts - At cost	21.71	12.36
(e)	Less- Non-Moving Inventory	(69.63)	
	Total	602.86	761.63



Notes on accounts for the year ended March 31, 2025

14 Trade Receivables

Particulars	As at March 31, 2025					As at March 31, 2024				
	Trade Receivables outstanding for a period exceeding six months from the date they are due for payment	Unsecured, Considered Good	Unsecured, Considered Doubtful	Less: Provision for bad & doubtful debts	Others	Unsecured, Considered Good	Unsecured, Considered Doubtful	Less: Provision for bad & doubtful debts	Total	
(a) Trade Receivables outstanding for a period exceeding six months from the date they are due for payment										
Unsecured, Considered Good		54.62							102.68	
Unsecured, Considered Doubtful		43.61							16.11	
Less: Provision for bad & doubtful debts		(43.61)							(16.11)	
Others				387.82					402.72	
Unsecured, Considered Good										
Unsecured, Considered Doubtful										
Less: Provision for bad & doubtful debts										
Total				442.43					505.40	

14.1 Trade Receivables Ageing Schedule

As at March 31, 2025

Particulars	Outstanding for the following periods from the due date of payment					
	Not Due	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	0.60	387.22	10.53	9.61	9.18	4.84
(b) Undisputed Trade Receivables - Considered doubtful	-	-	-	-	-	43.61
(c) Disputed Trade Receivables - Considered good	-	-	-	4.82	3.92	11.72
(d) Disputed Trade Receivables - Considered doubtful	-	-	-	-	-	-
Total	0.60	387.22	10.53	14.42	13.10	60.17

As at March 31, 2024

Particulars	Outstanding for the following periods from the due date of payment					
	Not Due	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	41.82	360.89	18.88	11.06	0.06	55.80
(b) Undisputed Trade Receivables - Considered doubtful	-	-	-	-	-	6.58
(c) Disputed Trade Receivables - Considered good	-	0.00	3.66	1.25	5.39	15.31
(d) Disputed Trade Receivables - Considered doubtful	-	-	-	-	0.79	-
Total	41.82	360.90	22.55	12.31	6.24	77.69

14.2 Trade Receivables due by

Particulars	As at March 31, 2025					As at March 31, 2024				
	Directors of the Company either severally or jointly with any other persons	Amounts due by private companies in which any director is a director or a member	Less: Provision for bad and doubtful debts	Total dues (net of provision)		Directors of the Company either severally or jointly with any other persons	Amounts due by private companies in which any director is a director or a member	Less: Provision for bad and doubtful debts	Total dues (net of provision)	
(a) Directors of the Company either severally or jointly with any other persons										
(b) Amounts due by private companies in which any director is a director or a member										
Less: Provision for bad and doubtful debts										
Total dues (net of provision)				79.92					103.93	



Notes on accounts for the Year ended March 31, 2025

15 Cash and Bank Balances

Particulars		As at March 31, 2025	As at March 31, 2024
Cash and Cash Equivalents			
(a)	Balance with Banks		
	Fixed Deposit*	296.00	-
	In Current accounts	0.42	0.58
(b)	Cash on hand	0.44	0.39
	Total	296.86	0.97

*Fixed Deposit with State Bank of India with maturity of 10 days

16 Short-Term Loans and Advances

Particulars		As at March 31, 2025	As at March 31, 2024
I Unsecured, considered good			
	Advance Income Tax paid	11.00	39.00
	Tax deducted at source (TDS) receivable	0.22	0.30
	Tax collected at source (TCS) receivable	0.10	0.20
	Minimum Alternative Tax (MAT) credit entitlement	40.59	40.59
	GST Receivable	50.53	7.83
	GST Unavailed ITC	0.12	11.15
	Disputed tax	0.48	0.48
	Advance for goods	0.47	2.48
	Advance for expenses	4.25	24.91
	Loans and advances to Employees	109.14	0.26
	Other advance	0.25	0.08
	1.89		
	Total	219.03	127.28

16.2	Loans and advances due by:	As at March 31, 2025	As at March 31, 2024
(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	0.12	0.15
(c)	Amount due by private companies in which any director is a director or a member	-	-
	Total	0.12	0.15



17 Other Current Assets

Notes on accounts for the year ended March 31, 2025

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Prepaid expenses	20.28	14.50
(b) Discount Receivable	0.01	19.13
(c) Security Premium Receivable from Mr. Balakrishnan Naif	0.23	3.75
(d) Income Receivable		0.78
(e) Deferred Expenditure-Current Portion		
Total	20.53	38.17



18 Revenue From Operations

Particulars		Year Ended March 31,2025	Year Ended March 31,2024
(a)	Sale of products	4,115.17	4,583.65
(b)	Other operating revenues	30.86	35.48
Total		4,146.03	4,619.13

Revenue Includes

Particulars		Year Ended March 31,2025	Year Ended March 31,2024
(a)	Domestic Sales	4,097.96	4,619.13
(b)	Export Sales	48.07	-
Total		4,146.03	4,619.13

19 Other Income

Particulars		Year Ended March 31,2025	Year Ended March 31,2024
(a)	Interest income	1.93	1.08
(b)	Discount received	33.91	90.47
(c)	Miscellaneous income	0.79	0.62
(d)	Lease rent received	-	0.50
(e)	Profit on sale of PPE(Net)	0.22	1.60
(f)	Insurance Claim Received	0.31	2.34
(g)	Duty Drawback	0.51	-
Total		37.57	96.60

20 Cost of materials consumed

Particulars		Year Ended March 31,2025	Year Ended March 31,2024
(a)	Opening stock of Raw materials	224.68	153.92
(b)	Add: Purchases	2,878.94	3,131.58
(c)	Less: Closing stock of Raw materials	180.81	224.68
Total		2,922.81	3,060.82

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

Particulars		Year Ended March 31,2025	Year Ended March 31,2024
(a)	Opening stock		
	1 Finished Goods	524.59	513.80
	2 Accessories, Spares & Parts	12.36	1.47
	Sub Total	536.96	515.28
(b)	Less : Closing stock		
	1 Finished Goods	469.98	524.59
	2 Accessories, Spares & Parts	21.71	12.36
	Sub Total	491.68	536.96
Total		45.27	(21.68)



SOLVE PLASTIC PRODUCTS LIMITED,
 THOLICODE PO PUNALUR
 CIN : U25209KL1994PLC008231

Notes to Statement of Profit and Loss
 22 Employee Benefit Expenses

Particulars		Year Ended March 31,2025	Year Ended March 31,2024
(a)	Salaries & Wages		
	Salaries and wages, including bonus	428.65	402.88
(b)	Contribution to provident and other funds :-		
	Contribution to Employees Provident Fund	26.37	30.31
	Contribution to Employees State Insurance	8.57	9.25
	Gratuity	14.87	8.94
	Leave Encashment	4.81	5.51
(c)	Staff welfare expenses	11.70	8.15
(d)	Remuneration to directors	52.80	16.71
(e)	Honorarium to Chairman	-	11.25
	Total	547.77	492.99

23 Finance costs

Particulars		Year Ended March 31,2025	Year Ended March 31,2024
(a)	Interest Cost	94.63	139.77
(b)	Bank charges	3.64	11.08
(c)	Interest-Others	0.36	0.02
	Total	98.64	150.87

24 Depreciation and Amortisation

Particulars		Year Ended March 31,2025	Year Ended March 31,2024
(a)	Depreciation on Property, Plant and Equipments	92.33	75.48
(b)	Amortisation of Intangible assets	2.73	1.59
	Total	95.05	77.06



25 Other Expenses

Particulars	Year Ended March 31,2025	Year Ended March 31,2024
(1) Power and fuel	177.02	181.36
(2) Listing Expenses	23.64	-
(3) Factory expenses	13.85	11.64
(4) Repairs to buildings	0.24	1.00
(5) Repairs to machinery	33.49	35.13
(6) Repairs to others	29.24	22.50
(7) Advertisement charges	11.78	15.55
(8) Carriage outwards	41.00	21.42
(9) Discount allowed	159.92	111.47
(10) Donation & charities	0.21	-
(11) Contract Labour Charges	81.85	96.50
(12) Penalties & fines	0.25	0.44
(13) Insurance	13.39	10.91
(14) Job work charges	2.41	0.26
(15) Rates and taxes, excluding, taxes on income	11.53	15.19
(16) Legal and professional	12.34	14.57
(17) Travelling and conveyance	66.46	56.98
(18) Printing and stationery	5.37	3.83
(19) Remuneration to Auditors		
Audit Fee	5.00	2.50
Tax Audit Fee	1.00	0.50
(20) Sitting fee to directors	2.00	0.32
(21) Market development expenses	55.20	28.42
(22) Office expenses	14.20	13.54
(23) Other selling expenses	1.51	1.61
(24) Postage, Telephone etc	3.13	3.08
(25) Service charges	19.76	18.47
(26) Testing fee	2.70	1.85
(27) Vehicle running expenses	54.83	64.63
(28) Lease Rent	72.00	72.72
(29) Membership Fees	0.48	0.10
(30) Provision for doubtful debts	27.50	4.08
(31) Provision for Non-Moving inventory	69.63	-
(32) Net loss on foreign currency translation	0.36	-
(33) Recruitment Expenses	1.57	0.42
(34) Ineligible ITC Written off	10.68	-
(35) Assets Written Off	-	0.03
Total	1,025.56	811.01



SOLVE PLASTIC PRODUCTS LIMITED

CIN: U25209KL1994PLC008231

THOLICODE PUNALUR

Note 1: Company Information

Solve Plastic Products Limited ("the Company") is a public limited company incorporated in India. The Company was originally incorporated as a Private Limited Company on October 04, 1994. Subsequently, it was converted into a Public Limited Company, and a fresh Certificate of Incorporation was issued on March 05, 2024. The Corporate Identification Number (CIN) is U25209KL1994PLC008231. The Company's registered office is located at Tholicode P.O, Punalur, Kollam District, Kerala, India.

During the Financial Year 2024-2025, the Company successfully completed its Initial Public Offering (IPO), and its equity shares were listed on the SME EMERGE Platform of the National Stock Exchange of India Limited (NSE EMERGE) effective August 21, 2024.

The principal business activity of the Company is the manufacturing of uPVC (Unplasticized Polyvinyl Chloride) Pipes and Rigid PVC Electrical Conduits. The Company markets its products under the brand name "BALCOPIPES". The Company operates manufacturing facilities at the following locations:

- Unit-1: PMC/XII/690, Punalur, Tholikode P.O., Kollam 691333, Kerala (Rigid uPVC Electric Conduits)
- Unit-2: TP/XIII/707&708, Papannoor Road, Edamon, Kollam 691307, Kerala (uPVC Pipes)
- Unit-3: 14/414E, Kooveri, Nadukani, Kannur 670142, Kerala (uPVC Pipes)
- Unit-4: 3/12/82 & 83, Karkuddy, Therkkumedu, Kesavapuram, Shencottah, Tirunelveli 627813, Tamil Nadu (Rigid PVC Electrical Conduits)

The Company holds ISO 9001:2015 certification and relevant Bureau of Indian Standards (BIS) certifications for its products.

Note 2: Significant Accounting Policies

2.1. Basis of Preparation and Accounting Convention

2.1.1. Statement of Compliance

The financial statements have been prepared as a going concern in accordance with the Generally Accepted Accounting Principles in India ("Indian GAAP"), comprising the Accounting Standards ("AS") specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Account) Rules, 2014, and the relevant provisions of the Companies Act, 2013.

2.1.2. Accounting Convention and Basis

The financial statements are prepared under the historical cost convention on an accrual basis, unless otherwise stated, and comply in all material aspects with the requirements of the Companies Act, 2013, including Schedule III. Historical cost is generally based on the fair value of the consideration given in exchange of goods/services.

2.1.3. Current/Non-Current Classification:

All assets and liabilities have been classified as current or non-current according to the Company's operating cycle and other criteria as set out in the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the company has ascertained its operating cycle



(All figures are rounded in Lakhs, unless otherwise stated)

as twelve months for the purpose of current, non-current classification of assets and liabilities.

2.1.4. Going Concern

The board of directors have considered the financial position of the Company as at March 31, 2025, and the projected cash flows and financial performance of the Company for at least twelve months from the date of approval of these financial statements as well as planned cost and cash improvement actions and believe that the plan for sustained profitability remains on course.

The board of directors have taken actions to ensure that appropriate long-term cash resources are in place at the date of signing the accounts to fund the Company's operations.

2.1.5. Use of Estimates and Judgements

The preparation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Although such estimates are based on a reasonable and prudent basis considering all available information, actual results could differ from these estimates and any revisions are recognized in the period in which the results are known.

2.1.6. Functional Currency & Presentation:

The financial statements are presented in Indian Rupees (INR), which is the Company's functional and presentation currency.

2.1.7. Rounding:

All amounts disclosed in the financial statements and notes are presented in Indian Rupees rounded off to the nearest lakh, unless otherwise stated. Previous year figures have been regrouped/reclassified wherever necessary to confirm to the current year's presentation.

2.2. Revenue Recognition

2.2.1. Revenue from the sale of goods (uPVC Pipes, Electrical Conduits) is recognised when the significant risks and rewards of ownership have been transferred to the buyer, which generally occurs upon dispatch of goods to the customer / delivery as per contractual terms, and when no significant uncertainty exists regarding the amount of consideration and its ultimate collection. Revenue is measured at the fair value of the consideration received or receivable, net of returns, discounts, rebates, and applicable taxes (like GST).

2.2.2. Other operating revenues (e.g., sale of scrap) are recognised when the right to receive the revenue is established and no significant uncertainty exists regarding collection. Interest income is recognised on a time proportion basis. Dividend income is recognised when the right to receive payment is established. Lease rent income is recognised on a straight-line basis over the lease term. Insurance claims and Duty Drawback are recognised on an accrual basis when there is reasonable certainty of receipt. Profit/loss on the sale of assets is recognised on the date of disposal. Discount received is accounted for on accrual basis.

(All figures are rounded in Lakhs, unless otherwise stated)



2.3. Property, Plant and Equipment (PPE)

- 2.3.1.** Property, Plant and Equipment (PPE) are stated at their original cost of acquisition or construction, including taxes, duties (net of refundable taxes like GST Input Credit), freight, borrowing costs attributable to qualifying assets, and other incidental expenses related to acquisition and installation, less accumulated depreciation and impairment losses, if any.
- 2.3.2.** Subsequent Expenditure: Costs incurred subsequent to the initial acquisition are capitalized only when it is probable that they will result in future economic benefits to the Company. All other repairs and maintenance are charged to the Profit and Loss Statement during the period in which they are incurred.
- 2.3.3.** As a policy of the Company, items having a cost and incidental expenses of less than Rs. 5,000/- are not capitalized but charged to the Statement of Profit & Loss, as an expense. Property, Plant & Equipment having WDV below Rs. 5,000/- are reviewed at each year-end for impairment and to assess their continued usefulness and economic benefit. If it is determined that the asset no longer provides future economic benefits, it is written off; otherwise, it continues to be depreciated in line with the Company's depreciation policy.

2.4. Intangible Assets

Intangible assets (like Software, Website, Leasehold Premium) acquired separately are measured on initial recognition at cost. Subsequently, they are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets with finite lives are amortized on a straight-line basis over their estimated useful lives. Amortization expense is recognized in the Statement of Profit and Loss. Estimated useful lives are reviewed at each reporting date.

2.5. Depreciation and Amortisation:

Depreciation on tangible assets is provided on the Written Down Value (WDV) method based on the useful lives estimated by the management, which are generally in accordance with the useful lives prescribed under Schedule II of the Companies Act, 2013. For Extruder machinery used in continuous process, depreciation is calculated based on rates applicable for continuous process machinery as per Schedule II. Depreciation on assets acquired under finance leases (if any) is provided over the useful life of the asset. Leasehold Premium (Intangible Asset) is amortized over the period of the lease. Other intangible assets are amortized over their estimated useful lives.

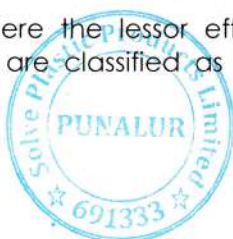
2.6. Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date to determine if there is any indication of impairment. If any such indication exists, the asset's recoverable amount (higher of net selling price and value in use) is estimated. An impairment loss is recognised in the Statement of Profit and Loss whenever the carrying amount of an asset exceeds its recoverable amount. Previously recognised impairment losses may be reversed if there has been a change in the estimates used to determine the recoverable amount.

2.7. Leases

Leases where the lessor effectively retains substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments (net of any

(All figures are rounded in Lakhs, unless otherwise stated)



incentives received from the lessor) are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern of the user's benefit. Leases where the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Assets acquired under finance leases are capitalized at the lower of the fair value of the asset or the present value of minimum lease payments at the inception of the lease.

2.8. Investments

Investments intended to be held for more than one year are classified as long-term investments and are carried at cost. Provision for diminution, other than temporary, in the value of long-term investments is made. Investments intended to be held for not more than one year are classified as current investments and are stated at the lower of cost and fair value. Cost includes acquisition charges. On disposal, the difference between carrying amount and net proceeds is recognised in the Statement of Profit and Loss.

2.9. Inventories

Inventories are valued at the lower of cost and Net Realisable Value (NRV), determined as follows:

a) Method of Valuation: Cost is ascertained using the FIFO method.

b) Components of Cost:

- a. Raw Materials (e.g., PVC resins, additives, chemicals) and Stores & Spares: Cost includes purchase price, import duties and other non-refundable taxes, freight inwards, and other expenditure directly attributable to acquisition.
- b. Work-in-Progress (Pipes/Conduits at intermediate stages): Cost includes the cost of raw materials, direct labour, and a systematic allocation of production overheads appropriate to the stage of completion.
- c. Finished Goods (uPVC Pipes, Rigid PVC Electrical Conduits): Cost includes the cost of raw materials, direct labour, allocated production overheads, and other costs incurred in bringing the inventories to their present location and condition.
- d. By-Products / Scrap (e.g., PVC Scrap): Valued at Net Realisable Value.

c) Net Realisable Value (NRV): NRV is the estimated selling price in the ordinary course of business, less the estimated costs of completion (if applicable) and the estimated costs necessary to make the sale.

d) Obsolescence: Due provision is made for obsolete and slow-moving inventory based on management's assessment of usability, potential future demand, and estimated realizable value.

2.10. Foreign Currency Transactions:

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies outstanding at the reporting date are translated at the exchange rates prevailing on that date. Exchange differences arising on settlement of monetary items or on translation of monetary items are recognised as income or expense in the Statement of Profit and Loss in the period in which they arise. Non-monetary items carried at historical cost are reported using the exchange rate at the date of the transaction.



(All figures are rounded in Lakhs, unless otherwise stated)

2.11. Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction, or production of a qualifying asset (an asset that necessarily takes a substantial period of time to get ready for its intended use or sale) are capitalized as part of the cost of that asset until such time as the asset is substantially ready for its intended use or sale. All other borrowing costs are recognised as an expense in the Statement of Profit and Loss in the period in which they are incurred.

2.12. Employee Benefits

a. **Short-term employee benefits:** Benefits (other than termination benefits) that are expected to be settled wholly within twelve months after the end of the annual reporting period in which the employees render the related service are classified as short-term employee benefits and include salaries, wages, bonuses, and compensated absences (such as leave encashment) and are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered. Leave encashment, being settled annually, is also treated as a short-term employee benefit and liability provided for leave accumulated since the last settlement date and measured at the undiscounted amount payable.

b. **Post-employment benefits:**

i. **Defined Contribution Plans:** Contributions payable to recognised Provident Fund (PF) and Employees' State Insurance (ESI) schemes, which are defined contribution plans, are recognised as an expense in the Statement of Profit and Loss as incurred when the employees have rendered service entitling them to the contributions. The Company has no further obligations beyond making these contributions.

ii. **Defined Benefit Plan (Gratuity):** The Company operates a partially funded gratuity plan through a Group Gratuity scheme with Life Insurance Corporation of India (LIC). The liability recognised in the Balance Sheet for gratuity is the present value of the Defined Benefit Obligation (DBO) at the reporting date, as determined using actuarial valuations using the Projected Unit Credit (PUC) method, less the fair value of plan assets (fund balance with LIC). Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised immediately in the Statement of Profit and Loss.

2.13. Taxes on Income

Income tax expense comprises current tax (amount of tax for the period determined in accordance with the Income Tax Act, 1961) and deferred tax (tax effect of timing differences between taxable income and accounting income). Deferred tax assets and liabilities are recognised for the future tax consequences attributable to timing differences, measured using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date. Deferred Tax Assets (DTA) are recognised and carried forward only to the extent that there is virtual certainty that sufficient future taxable income will be available against which such DTA can be realised. DTA on carry forward of unabsorbed depreciation or tax losses is recognised only if there is virtual certainty of realisation. Minimum Alternate Tax (MAT) credit is recognised as an asset when there is

(All figures are rounded in Lakhs, unless otherwise stated)



convincing evidence that the Company will pay normal income tax during the specified period, measured at the amount expected to be realised.

2.14. Segment Reporting

The Company identifies primary segments based on business activities. Based on management's assessment considering the nature of products, production processes, customer types, and regulatory environment, the Company operates primarily in a single reportable business segment - "Plastic Products" (manufacturing uPVC pipes and electrical conduits). As such, separate segment reporting as per AS 17 is not applicable. While the Company has domestic and export sales, geographical segments are currently not considered reportable based on AS 17 thresholds for revenue, results, and assets.

2.15. Earnings Per Share (EPS)

Basic earnings per share is computed by dividing the net profit or loss attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the period. Diluted EPS is calculated similarly, adjusting for the effects of all dilutive potential equity shares, if any.

2.16. Provisions, Contingent Liabilities, and Contingent Assets

Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Contingent liabilities are disclosed in respect of possible obligations that arise from past events, but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or present obligations where the outflow of resources is not probable or the amount cannot be reliably estimated. Contingent assets are neither recognised nor disclosed.

2.17. Government Grants

Government grants are recognised only when there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received. Grants related to specific fixed assets are presented by deducting the grant from the gross value of the asset concerned. Grants related to revenue are recognised in the Statement of Profit and Loss on a systematic basis over the periods necessary to match them with the related costs they are intended to compensate. Grants in the nature of capital subsidy / promoters' contribution are credited to Capital Reserve.

2.18. Cash Flow Statement

The Cash Flow Statement is prepared using the Indirect Method as set out in AS 3, "Cash Flow Statements". Cash flows are classified under Operating, Investing, and Financing activities.

2.19. Events Occurring After the Reporting Period

Events occurring after the Balance Sheet date that provide additional evidence relating to conditions existing at the Balance Sheet date (adjusting events) are considered in the preparation of financial statements. Events occurring after the Balance Sheet date that are indicative of conditions arising after the Balance Sheet date (non-adjusting events) are disclosed in the notes, where material.

(All figures are rounded in Lakhs, unless otherwise stated)



Note 26: OTHER EXPLANATORY STATEMENTS

(All figures are rounded in Lakhs, unless otherwise stated)

1. Operating lease

- a) The Company has taken on lease land from Kerala Industrial Infrastructure Development Corporation (KINFRA) under a tripartite agreement dated 20.02.2018 for the Kannur factory (Unit-3) for a period of 25 years, five months, and 15 days. Lease premium paid amounted to ₹20,37,743. During the year ended March 31, 2025, an amount of ₹73,836 (Previous Year: ₹76,853) has been amortized and charged to the Statement of Profit and Loss (included under Depreciation and Amortization expense - Note 24).
- b) 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 01.12.2024, with a monthly payment of Rs. 5.00. Also, the Company entered into a lease agreement with Mr. B Sudheer Kumar covering lease of second Floor BALCO Building admeasuring approximate 6700 sq. feet for the purpose of corporate office of the Company. The license for this lease was renewed on 01.12.2024, with a monthly payment of Rs. 1.00. Consequently, during the financial year 2024-25, an amount of Rs. 72.00 has been charged to the Statement of Profit and Loss Account as Lease Rentals.

2. Contingent Liabilities:

Particulars	As At 31.03.2025	As At 31.03.2024
Pending Litigation (refer Note)	0.47	0.47
Unexpired Capital Commitments	1,71.16	15.41

Note: This relates to Disputed Goods and Services Tax shown under Loans & Advances - Note 16. Management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position.

3. Employee Benefits (Gratuity)

- 3.1. The Company operates a post-employment defined benefit plan for gratuity covering eligible employees. The plan provides for lump sum payments to employees upon retirement, death, incapacitation, or termination of employment, based on years of service and last drawn salary as per the Payment of Gratuity Act, 1972. The plan is partially funded through a Group Gratuity scheme administered by the Life Insurance Corporation of India (LIC).
- 3.2. For the financial year ended 31st March 2024, LIC had furnished only the summary actuarial report which did not reflect various information required to be reported vide AS 15 – Employee benefits. Hence, the disclosure requirements as per AS-15 have been furnished only for financial year ended 31st March 2025.



(All figures are rounded in Lakhs, unless otherwise stated)

3.3. Reconciliation of opening and closing balances of Defined Benefit Obligation (DBO):

Particulars	Gratuity (Funded) Y. E. 31.03.2025
DBO at the beginning of the year	83.29
Current Service Cost	12.04
Interest cost	6.04
Actuarial (gain)/ Loss	(2.53)
Benefits paid	4.96
DBO at the end of the year	93.88

3.4. Reconciliation of Fair Value of Plan Assets (FVPA):

Particulars	Gratuity (Funded) Y. E. 31.03.2025
FVPA at the beginning of the year	10.09
Expected Return on Plan Assets	0.684
Actuarial Gains / (Losses) on Plan Assets	-
Employer Contributions	1.95
Present value of obligations	-
Benefits Paid	(4.96)
FVPA at the end of the year	7.76

3.5. Reconciliation of Net Liability Recognised in Balance Sheet:

Particulars	Gratuity (Funded) Y. E. 31.03.2025
Present Value of DBO at year end	93.88
Fair Value of Plan Assets at year end	7.76
Net Liability Recognised in Balance Sheet	86.12

3.6. Expenses recognized during the year (under the head Gratuity under Employees Benefit Expenses)

Particulars	Gratuity (Funded) Y. E. 31.03.2025
Current Service cost	12.05
Interest cost	6.04
Expected return on plan assets	(0.684)
Actuarial (Gains) / Losses Recognised	(2.53)
Past Service Cost (if any)	-
Total Expense Recognised in P&L	14.87

3.7. Principal Actuarial Assumptions used:

Assumption	Gratuity (Funded) Y. E. 31.03.2025
Discount Rate (%)	7.25%
Salary Escalation Rate (%)	5%
Attrition Rate (%)	1% - 3%
Mortality Table	LIC (2006-08) Ultimate

(All figures are rounded in Lakhs, unless otherwise stated)



3.8. General Information: The estimate of future salary increases considered in the actuarial valuation take account of inflation, seniority, promotion, and other relevant factors. The discount rate is based on the prevailing market yields of Government bonds as at the Balance Sheet date for the estimated term of the obligations. The fair value of plan assets represents the fund balance maintained with LIC under the Group Gratuity Scheme.

4. Related Party Disclosures (As per AS 18):

(a) List of related parties where control exists or with whom transactions have taken place during the year

i. Key Management Personnel (KMP) & their Relatives:

Name of related party	Relationship
Sudheer Kumar B	Managing Director
Susil Kumar B	Whole-Time-Director
Aravind S Kumar	Director
Shankar S Kumar	Director
Govind Vinodkumar	Director
G Balakrishnan Nair	Director (Managing director's Father)

ii. Enterprises over which KMP / Relatives have significant influence:

Name of related party	Relationship
GBN Associates, LLP	Director, G Balakrishnan Nair 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

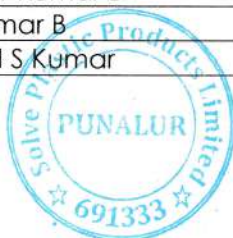
iii. Other Directors (Independent/Non-Executive):

Name of related party	Relationship
Shri N. Asokan	Independent Director
Deepthi Santhakumari	Woman Director
Keshav Mohan	Non- Executive Director
Biju	Independent Director
Suresh K Pillai	Independent Director
Dinesh Chandran	Independent Director

(b) Related parties 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

(All figures are rounded in Lakhs, unless otherwise stated)



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 during the year ended March 31, 2025

Nature of Transaction	Name of the Related Party	Relationship	Amount FY 2024-25	Amount FY 2023-24
Remuneration/Salary/ Bonus	Sudheer Kumar B	Managing Director	17.18	11.83
	Susil Kumar B	Whole Time Director	5.66	3.18
	Aravind S Kumar	Executive Director	10.13	2.25
	Shankar S Kumar	Executive Director	10.10	3.62
	Govind Vinod	Executive Director	10.03	3.62
	Prasad K P	KMP	12.02	9.05
	Divya A	KMP	8.35	0.92
Honorarium	G Balakrishnan Nair	Director	-	11.25
Sitting Fees	Sudheer Kumar B	Managing Director	-	0.09
	Susil Kumar B	Whole Time Director	-	0.09
	Aravind S Kumar	Executive Director	-	0.01
	Shankar S Kumar	Executive Director	-	0.01
	Govind Vinod	Executive Director	-	0.01
	G Balakrishnan Nair	Director	0.20	0.08
	N. Asokan	Independent Director	0.40	0.01
	Deepthi Santhakumari	Director	0.40	0.01
	Kesav Mohan	Director	0.40	0.01
	Biju	Director	0.30	0.01
	Suresh K Pillai	Independent Director	0.30	0.01
Lease Rent Paid	Sudheer Kumar B	Managing Director	60.00	60.00
Rent	Sudheer Kumar B	Managing Director	12.00	12.00
Contract Labour Charges	GBN Associates LLP	Limited Liability Partnership firm in which Director is a Partner	82.02	86.62

(All figures are rounded in Lakhs, unless otherwise stated)



Purchase of Goods	Solve Plastic Products	Proprietorship concern of Managing Director	9.94	9.60
	ASK Agencies	Proprietorship concern of Director – Mr. Susil Kumar's spouse	86.90	56.09
Sale of Goods	Solve Plastic Products	Proprietorship concern of Managing Director	0.08	0.001
	Souparnika Enterprises	Proprietorship concern of Director Susil Kumar	9.89	3.87
	ASK Agencies	Proprietorship concern of Director – Mr. Susil Kumar's spouse	372.28	405.03
	Sudheer Kumar B	Managing Director	0.03	0.13
Lease Rent Income	Solve Plastic Products	Proprietorship concern of Managing Director	-	0.50

(d) Balances outstanding as at March 31, 2025

Nature of Transaction	Name of the Related Party	Relationship	Amount FY 2024-25	Amount FY 2023-24
Salary / Sitting fee Payable	Sudheer Kumar B	Managing Director	1.04	0.99
	Susil Kumar B	Whole Time Director	0.44	0.31
	Aravind S Kumar	Executive Director	0.78	0.18
	Shankar S Kumar	Executive Director	0.78	0.29
	Govind Vinod	Executive Director	0.79	0.29
	G Balakrishnan Nair	Director	-	0.88
	N Asokan	Director	-	0.009
	Deepthi Santhakumari	Director	-	0.009
	Keshav Mohan	Director	-	0.009
	Prasad K P	KMP	0.82	0.75
	Divya A	KMP	0.69	0.70
Trade Payables	ASK Agencies	Proprietorship concern of Director – Mr. Susil Kumar's spouse	10.48	-

(All figures are rounded in Lakhs, unless otherwise stated)



Trade Receivables	ASK Agencies	Proprietorship concern of Director – Mr. Susil Kumar's spouse	19.37	28.81
	Solve Plastic Products	Proprietorship concern of Managing Director	60.55	48.64
	Saraswati Agencies	Proprietorship concern of Director – Mr. Sudheer Kumar's Brother	26.48	26.48
Advance for Expenses	GBN Associates LLP	Limited Liability Partnership firm in which Director is a Partner	0.12	0.15
Security Deposits	Shri Govinda Agri business Pvt Ltd	Company in which Managing Director is a director	9.94	9.94

5. Earnings per Equity Share (EPS) (AS 20)

Basic EPS is calculated by dividing the net profit/(loss) attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

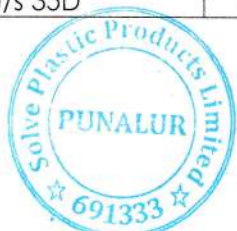
Particulars	Unit	Year Ended 31.03.2025	Year Ended 31.03.2024
A. Profit / (Loss) after tax, attributable to Equity Shareholders	Rs.	(478.81)	142.48
B. Face Value per Equity Share	Rs.	10	10
C. Weighted Average Number of Equity Shares Outstanding*	No.	38.68	30.57
D. Basic Earnings per Share	Rs.	(12.38)	4.66
E. Diluted Earnings per Share	Rs.	(12.38)	4.66

***Note on Weighted Average Shares for FY 2024-25:** The weighted average number of equity shares outstanding for the year ended March 31, 2025, reflects the time-weighted impact of 13,02,000 shares issued via Initial Public Offer dated August 16, 2024, resulting in 38,68,853 shares (Previous Year: 30,66,250 shares).

6. Deferred Tax (AS 22):

As per Accounting Standard (AS) 22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the movement in Deferred Tax Liability / (Asset) during the year is as follows:

Components of Deferred tax	Opening Balance (Liability/(Asset)) as at 01.04.2024	Recognized in P&L during FY 2024-25	Closing Balance (Liability/(Asset)) as at 31.03.2025
Deferred Tax Liability:			
Depreciation	(28.79)	(4.48)	(24.32)
Deferred Tax Asset:			
Carry Forward Business Loss	(10.72)	(80.95)	(87.60)
Unabsorbed Depreciation	(74.76)	(29.60)	(45.16)
Expenditure u/s 35D	-	(4.92)	(4.92)



(All figures are rounded in Lakhs, unless otherwise stated)

Provision for bad & doubtful debts	-	(11.34)	(11.34)
Provision for Obsolete Inventory	-	(18.10)	(18.10)
Leave encashment	-	(4.37)	(4.38)
Bonus payable	-	(0.83)	(0.84)
MSME Interest Disallowance	-	(3.15)	(3.15)
Net DTL / (DTA)	(114.27)	(89.59)	(203.86)

7. Going Concern:

7.1. The accompanying standalone financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities in the normal course of business. During the year ended March 31, 2025, the Company reported a net loss of ₹478.81 lakhs (Previous Year: Profit ₹142.48 lakhs). This financial result was primarily influenced by a temporary decline in domestic product demand, planned investments in market development activities, and specific, non-recurring expenditures related to the Company's successful Initial Public Offer during the year.

7.2. Management has conducted a comprehensive evaluation of the Company's financial position and its ability to continue as a going concern for at least twelve months from the approval date of these financial statements. This evaluation has taken into account the significant strengthening of the Company's financial base, notably through the ₹11.85 Crores raised via the Initial Public Offer, and its healthy cash and bank balances (including fixed deposits) which aggregated to ₹2.97 Crores as at March 31, 2025. Furthermore, management is actively implementing strategic initiatives focused on enhancing domestic market share, achieving cost efficiencies, optimizing working capital, and exploring product diversification, all of which are projected to improve future operational performance and cash flows. Considering these substantial financial resources, the detailed operational forecasts, and the strategic plans in place, management is confident that the Company is well-positioned with adequate resources to continue its operations, meet its financial obligations as they fall due in the foreseeable future (being at least twelve months from the balance sheet date), and progress towards its business objectives. Consequently, management has concluded that the going concern basis for the preparation of these financial statements is appropriate and that no material uncertainty exists regarding the Company's ability to continue its operations.

8. Initial Public Offering (IPO)

8.1. During the Financial Year 2024-2025, the company successfully completed its Initial Public Offering (IPO), which comprised of a fresh issue of 13,02,000 equity shares with a face value of ₹10 each, offered at an issue price of ₹91 per equity share (including a share premium of ₹81 per equity share). The total aggregated value of the issue amounted to ₹1,184.82 Lakhs. The equity shares of the company were listed on the SME EMERGE Platform of the National Stock Exchange of India Limited (NSE EMERGE) on August 21, 2024.

8.2. The net proceeds from the IPO are primarily intended for funding capital expenditure towards the purchase of additional plant and machinery, meeting working capital requirements, issue-related expenses, and general corporate purposes (₹88.00 Lakhs). This listing is a significant step for the company, aimed at enhancing its brand visibility and providing liquidity for its equity shares.



(All figures are rounded in Lakhs, unless otherwise stated)

9. Provision for Non-Moving Inventory:-

A provision amounting to ₹69.63 lakhs has been made during the financial year for inventory items that have remained non-moving for over three years.

10. Foreign Currency Disclosures

10.1. Transactions in Foreign Exchange:

Particulars	Year ended 31.03.2025	Year ended 31.03.2024
Earnings from Exports (FOB value)*	42.20	-
Expenditure in Foreign Exchange	-	-

*Export operations commenced in FY 24-25

10.2. Foreign Currency Receivables/(Payables):

Currency	Payables		Receivables		Net Total	
	Foreign Currency	INR Equivalent	Foreign Currency	INR Equivalent	Foreign Currency	INR Equivalent
USD	(0.0029)	(0.25)	-	-	(0.0029)	(0.25)

*Export operations commenced in FY 24-25

11. Additional Disclosures mandated under Schedule III:

11.1. 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.

11.2. 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.

11.3. Ratios:

Sl. No	Particulars	Formula Ref.	2024-25	2023-24	Change in %	Reason of Variance
a.	Current Ratio	(i)	1.49	1.03	43.90	Increase in current assets and decrease in current liabilities due to parking of IPO proceeds in FD and Cash Credit account.
b.	Debt - Equity Ratio	(ii)	0.99	2.83	(65.06)	Increase in Equity and decrease in debts due to

(All figures are rounded in Lakhs, unless otherwise stated)



						utilization IPO proceeds received during the year.
c.	Debt Service Coverage Ratio	(iii)	(0.33)	0.26	(227.84)	Due to decrease in EBITDA
d.	Return on Equity Ratio	(iv)	(0.48)	0.32	(247.78)	Incurred loss during the year and there is increase in equity during the year.
e.	Inventory Turnover Ratio	(v)	6.08	6.46	(5.90)	-
f.	Trade Receivable Turnover Ratio	(vi)	9.46	9.33	1.3	-
g.	Trade Payable Turnover Ratio	(vii)	19.01	12.35	53.90	Decrease in trade payables during the year.
h.	Net Capital Turnover Ratio	(viii)	8.07	102.08	(92.10)	Decrease in revenue during the year and and increase in working capital due to parking of IPO proceeds in working capital account.
i.	Net Profit Ratio	(ix)	(0.12)	0.03	(474)	Decrease in revenue from operations during the year and increase in losses.
j.	Return on Capital Employed	(x)	(0.33)	0.35	(196.65)	Increase in amount of capital employed and decrease in Earnings before interest and tax.

Formula used for computation of:

- (i) Current Ratio = Current assets / Current liabilities.
(ii) Debt Equity Ratio = Total borrowings / Total equity.
(iii) 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].
(iv) Return on Equity ratio = Profit for the year / Average Total equity.
(v) Inventory turnover = Revenue from operations / Average inventories
(vi) Trade receivable turnover = Revenue from operations / Average trade receivables.
(vii) Trade payable turnover = Revenue from operations / Average trade payables.
(viii) Net capital turnover ratio = Revenue from operations / Working Capital.
(ix) Net Profit Margin (%) = Profit for the period / Revenue from operations.
(x) Return on Capital employed = Profit Before Interest, Dividend Income & Tax (PBIT excluding Dividend income) / Capital Employed (CE).

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

11.5. The Company has no charges or satisfaction yet to be registered with registrar of Companies beyond the statutory period, except for the following instance where satisfaction of charge is pending registration:

Sl. No	Name of Charge Holder	Date of discharge	Amount
1	State Bank of India	07.03.2025	0.0298

11.6. The Company has not traded or Invested in Crypto Currency or Virtual Currency during the financial year.



(All figures are rounded in Lakhs, unless otherwise stated)

Computation of Deferred Tax as at 31.03.2025

Amr (in Rs.)

Sl. No.	Components of Deferred Tax	DTL/(DTA) as at 01.04.2024	Nature	Deferred Tax Liability			Deferred Tax Assets		DTL/(DTA) as at 31.03.2025
				Additions during the Year	Reversals during the Year	Restatement of Deferred Tax Liability adjusted in Reserves	Additions during the Year	Reversals during the Year	
1	Depreciation	(28,79,371)	DTA	-	-	-	-	(4,47,717)	(24,31,654)
2	Business Loss	(10,71,626)	DTA	-	-	-	-	(10,71,626)	(91,66,798)
3	Unabsorbed Depreciation Expenditure u/s 35 D	(74,75,860)	DTA	-	-	-	(29,13,293)	(58,73,333)	(45,15,821)
4	Provision for bad & doubtful debt	-	DTA	-	-	-	(4,91,708)	-	(4,91,708)
5	Provision for Obsolete Inventory	-	DTA	-	-	-	(11,33,843)	-	(11,33,843)
6	Disallowance u/s 43(b) - Bonus	-	DTA	-	-	-	(18,10,484)	-	(18,10,484)
7	Disallowance u/s 43(b) - Leave encashment	-	DTA	-	-	-	(4,37,501)	-	(4,37,501)
8	Disallowance u/s 43(b)(i) - MSME	-	DTA	-	-	-	(83,339)	-	(83,339)
9	Disallowance u/s 43(b)(ii) - MSME	-	DTA	-	-	-	(3,15,123)	-	(3,15,123)
	Total	(1,14,26,857)	DTA	-	-	-	(1,63,52,089)	(73,92,676)	(2,03,86,271)

Net Deferred Tax liability/(Asset) debited/credited to the Statement of Profit & Loss

(89,59,413)

