

NOTICE OF POSTAL BALLOT

[Pursuant to Section 110 of the Companies Act, 2013 read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 each as amended, and the applicable Circulars issued by the Ministry of Corporate Affairs ('MCA'), Government of India, from time to time]

Dear Member(s),

NOTICE is hereby given pursuant to the provisions of Sections 13(8), 27, 108, 110 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with Rule 7 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 ("Management Rules"), Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India, Regulation 32, 44 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations"), including any statutory modification(s), amendment(s), clarification(s), circular(s) or re-enactment(s) thereof for the time being in force and pursuant to the General Circular Nos. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020 and other relevant circulars issued in this regard, the latest being 03/2025 dated September 22, 2025 issued by the Ministry of Corporate Affairs ("MCA Circulars"), that the Special Resolution appended below is proposed to be passed by the Members of **Solve Plastic Products Limited** through Postal Ballot by way of voting through electronic means ("remote e-voting") only.

In compliance with the aforesaid MCA Circulars, the Company is sending this Postal Ballot Notice only in electronic form to those Members whose names appear in the Register of Members/List of Beneficial Owners maintained by the Depositories as on 15th May 2026 ("Cut-off Date") and whose e-mail addresses are registered with the Company/Registrar and Share Transfer Agent ("RTA")/Depository Participants ("DPs"). Accordingly, physical copy of this Postal Ballot Notice along with postal ballot forms and pre-paid business reply envelopes are not being sent to the Members for this Postal Ballot process.

The communication of the assent or dissent of the Members would only take place through the remote e-voting system. Members are requested to carefully read the instructions in this Postal Ballot Notice and record their assent ("FOR") or dissent ("AGAINST") through the remote e-voting process not later than 05:00 P.M. IST on 20th June 2026.

The Board of Directors of the Company at its meeting held on 15.05.2026 has appointed CS. Nikhil George Pinto, Partner, CaesarPintoJohn & Associates LLP, Practising Company Secretary (Membership No. F11074, COP No. 16059, as the Scrutinizer for conducting the Postal Ballot process through remote e-voting in a fair and transparent manner.

The Company has engaged the services of **Central Depository Services (India) Limited** (CDSL) for facilitating remote e-voting to enable the Members to cast their votes electronically.

The remote e-voting period shall commence on **Friday, 22-05-2026 (09:00 A.M.)** and shall end on **Saturday, 20-06-2026 (05:00 P.M.)**. The remote e-voting module shall be disabled by CDSL thereafter and voting shall not be allowed beyond the said date and time.

Upon completion of scrutiny of the votes cast through remote e-voting, the Scrutinizer will submit his report to the Chairman of the Company or any person authorised by the Chairman. The results of the Postal Ballot will be announced on or before **Monday, 22-06-2026** and shall be displayed on the website of the Company, the website of the e-voting agency and shall also be communicated to National Stock Exchange of India Limited where the equity shares of the Company are listed.

SPECIAL BUSINESS

ITEM NO. 1

VARIATION IN THE OBJECTS OF THE INITIAL PUBLIC OFFER (“IPO”) AND VARIATION IN UTILISATION OF UNUTILISED IPO PROCEEDS

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 13(8), 27, 108, 110 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with Rule 7 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014, the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI ICDR Regulations”), Secretarial Standard on General Meetings (“SS-2”), the applicable provisions of the Memorandum and Articles of Association of the Company and subject to such approvals, permissions, sanctions and consents as may be necessary from the Securities and Exchange Board of India (“SEBI”), Stock Exchanges, Registrar of Companies and/or any other statutory, regulatory or governmental authorities, and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions or sanctions, consent of the Members of the Company be and is hereby accorded for variation in the utilisation of the unutilised proceeds raised through the Initial Public Offering (“IPO”) of the Company from the objects stated in the Prospectus dated August 07, 2024 (“Prospectus”), in the following manner:

Sl. No.	Original Objects as per Prospectus	Amount Allocated (Rs. Crores)	Amount Utilised till 31.03.2026 (Rs. Crores)	Amount Unutilised (Rs. Crores)	Proposed Variation / Revised Object	Revised Amount (Rs. Crores)	Revised Timeline
1	Rigid PVC Electrical Conduits	256.23	256.23	0	-	-	-
2	HDPE Pipes	296.41	0	296.41	296.41	296.41	10 Months

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall be deemed to include any Committee thereof or any person(s) authorised by the Board) be and is hereby authorised to do all such acts, deeds, matters and things, including but not limited to finalising and revising disclosures, making filings with statutory and regulatory authorities, stock exchanges and other agencies, issuing notices, advertisements and public disclosures, filing requisite e-forms, executing all such documents and writings as may be required and to settle any question, difficulty or doubt that may arise in relation to the implementation of this Resolution.”

NOTES

1. The Explanatory Statement pursuant to Section 102 and other applicable provisions of the Companies Act, 2013 setting out all material facts and reasons concerning the proposed Resolution is annexed hereto and forms part of this Postal Ballot Notice.
2. In compliance with the MCA Circulars, this Postal Ballot Notice is being sent only through electronic mode to those Members whose names appear in the Register of Members/List of Beneficial Owners maintained by the Depositories as on the Cut-off Date, 15th May 2026 and whose e-mail addresses are registered with the Company/RTA/Depositories.
3. In accordance with the MCA Circulars, physical copies of the Postal Ballot Notice, postal ballot forms and pre-paid business reply envelopes are not being sent to Members for this Postal Ballot. Accordingly, the communication of assent or dissent by the Members shall take place through remote e-voting only.
4. Only those Members whose names are appearing in the Register of Members / List of Beneficial Owners as on the cut-off date shall be eligible to cast their votes through postal ballot by remote e-voting. A person who is not a member on the cut-off date should treat this Notice for information purposes only. It is however clarified that, all Members of the Company as on the cut-off date (including those Members who may not have received this Notice due to non-registration of their email addresses with the Company/RTA/Depositories) shall be entitled to vote in relation to the aforementioned Resolutions in accordance with the process specified in this Notice.
5. The Postal Ballot Notice is also available on the website of the Company at <https://balcopipes.com/announcements/>, on the website of the Stock Exchanges, namely National Stock Exchange of India Limited and on the website of CDSL at <https://www.cdslindia.com/>.
6. The Board of Directors has appointed CS. Nikhil George Pinto, Partner, CaesarPintoJohn & Associates LLP, Practising Company Secretary, as the Scrutinizer for conducting the Postal Ballot process in accordance with law and in a fair and transparent manner.
7. Members whose names appear in the Register of Members/List of Beneficial Owners as on the Cut-off Date shall be entitled to vote on the Resolution set forth in this Postal Ballot Notice. A person who is not a member as on the Cut-off Date should treat this Postal Ballot Notice for information purposes only.
8. Voting rights of Members shall be in proportion to the equity shares held by them in the paid-up equity share capital of the Company as on the Cut-off Date.
9. The remote e-voting period commences on **Friday, 22-05-2026 (09:00 A.M.)** and shall end on **Saturday, 20-06-2026 (05:00 P.M.)**. The remote e-voting module shall be disabled thereafter.
10. The Resolution, if passed with the requisite majority through Postal Ballot, shall be deemed to have been passed on the last date specified for remote e-voting i.e. **Saturday, 20-06-2026 (05:00 PM)**.
11. The Scrutinizer's decision on the validity of votes cast through Postal Ballot shall be final.
12. The results of the Postal Ballot along with the Scrutinizer's Report will be displayed on the website of the Company and the website of the e-voting agency immediately after declaration of results and shall simultaneously be communicated to the Stock Exchanges.

13. Relevant documents referred to in this Postal Ballot Notice and Explanatory Statement shall be available electronically for inspection by the Members during business hours on all working days until the conclusion of the Postal Ballot process. Members seeking inspection may send an e-mail request to cs@balcopipes.com.
14. Members who have not registered their e-mail addresses are requested to register the same with their respective Depository Participants in respect of shares held in dematerialised form and with the RTA in respect of shares held in physical form.
15. SEBI has mandated the submission of PAN, KYC details and nomination by holders of physical securities. Members holding shares in physical form are requested to update the same with the RTA.
16. Institutional/Corporate Members intending to authorise their representatives to vote through remote e-voting are requested to send a certified copy of the Board Resolution/Authorisation Letter to the Scrutinizer at caesarpintojohn@gmail.com with a copy marked to the e-voting agency.
17. Those Members who have already registered their email addresses are requested to keep the same validated with their DPs/Depositories/RTA to enable serving of notices/documents/Annual Reports and other communications electronically to their email address in future.
18. Once the vote on the Resolution is cast by the Members, the Members shall not be allowed to change it subsequently.

INFORMATION AND INSTRUCTIONS RELATING TO REMOTE E-VOTING

[Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014]

The Company has engaged the services of **CDSL** to provide remote e-voting facility to its Members.

The detailed instructions for remote e-voting are provided below:

CDSL e-Voting System – For Remote e-voting

THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING:

- Step 1** : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.
- Step 2** : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.
- (i) The voting period begins on **Friday, 22-05-2026 (09:00 A.M.)** and shall end on **Saturday, 20-06-2026 (05:00 P.M.)**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date **15-05-2026** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Type of shareholders	Login Method
<p>Individual Shareholders holding securities in Demat mode with CDSL Depository</p>	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsl website www.cdslindia.com and click on login icon & My Easi New (Token) Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at cdsl website www.cdslindia.com and click on login & My Easi New (Token) Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
<p>Individual Shareholders holding securities in demat mode with NSDL Depository</p>	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period. 4) For OTP based login you can click on https://eservices.nsd.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate

	<p>OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting for **Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at

evoting@nsdl.co.in or call at : 022 - 4886 7000 and
022 - 2499 7000

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for Remote e-Voting for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none">• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none">• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

(vi) After entering these details appropriately, click on “SUBMIT” tab.

- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Company Name>Solve Plastic Products Limited on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cs@balcopipes.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to cs@balcopipes.com.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, AVP, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call at toll free no. 1800 21 09911

EXPLANATORY STATEMENT

FOR THE PROPOSED CHANGE IN UTILISATION OF IPO FUNDS RAISED

The Company has filed its prospectus dated August 16th 2024 with Registrar of Companies Ernakulam, Kerala, with in connection with its initial public offering (“Offer”) of its equity shares of Rs 10/- each at a premium of Rs 81/- and the total issue price was Rs 91/- with an object to *Funding of Capital Expenditure towards purchase of additional plant and machinery* and the Equity shares of the Company are listed at the National Stock Exchange Emerge.

Since the management is considering the change of objects in the prospectus with respect to change in objects of project 2, the disclosure in compliance with sections 13(8) and 27 of the Companies Act, 2013, as amended (“Companies Act”), read with Rule 32 of the Companies (Incorporation) Rules, 2014, Rule 7 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and the Regulation 281A of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), 2018 read with Schedule XX thereto, as amended are as follows:

A) The IPO Objects declared in the Prospectus

The Net Proceeds of IPO were initially planned to be utilized in the were proposed to be utilised for financing the cost of establishing the Project 1 and 2 ie, the purchase of additional Plant and Machinery and were proposed to be deployed in the following manner, as set forth under the schedule of deployment as disclosed in the Prospectus stated below:

Sr. No.	Particulars	Estimate d Amount (in Lakhs)	% of total issue size	Amount to be financed from Issue Proceeds
A	Funding Capital Expenditure towards purchase of additional plant and machinery	552.64	46.64%	552.64
B	Working Capital Requirements	382.55	32.29%	382.55
C	Issue Related Expenses	161.63	13.64%	161.63
D	General Corporate Expenses	88.00	3-4.43%	88.00
	Total IPO Proceeds	1,184.82	100.00%	1,184.82
E	Less: Issue Related Expenses	161.63	13.64%	161.63
	Net Issue Proceeds	1,023.19	86.36%	1,023.19

B) The money utilised for the objects of the company stated in the prospectus as on March 31,2026

Amount in lakhs

Sr. No.	Object as disclosed in the Offer Document	Amount disclosed in the Offer Document	Actual Utilised Amount	Unutilised Amount

1	Funding Capital Expenditure towards purchase of additional plant and machinery	552.64	256.24	296.40
2	Working capital Requirements	382.55	382.55	
3	General Corporate Expenses	88.00	88.00	
4	Issue Related Expenses	161.63	161.63	
	Total	1184.82	888.42	296.40

- i) The total funds allotted to Project 2- Purchase of HDPE Pipes Extrusion Line at Edamon, Kerala is Rs 2.96 Cr and the funds utilized as on 30th September 2025 is nil.

C) The extent of achievement of proposed objects

As stated above the Company had fully utilized funds allotted to Working Capital requirement, General Corporate Expense and Issue Related Expenses. The total funds allotted to Project 1- purchase of Rigid PVC Electrical Conduits-Extrusion Line at Shencottah, Tamil Nadu is Rs 2.56 Cr without GST is fully utilised as on 31/03/2026.

D) The unutilised amount out of the money raised through prospectus

The total funds allotted to Project 2- Purchase of HDPE Pipes Extrusion Line at Edamon, Kerala is Rs 2.96 Cr is unutilised as on 31/03/2026.

E) The particulars of the proposed change in objects stated in issued prospectus

- i) The Board proposes to Change in objects of Project 2 Purchase of HDPE Pipes Extrusion Line at Edamon, Kerala in the following ways.
- ii) The proposed utilisation

SL NO	PARTICULAR	TOTAL COST (RUPEES)
A	SHENCOTTA TO EDAMON CONSOLIDATION	
1	KSEB DEPOSIT	22,54,000.00
2	KSEB ELECTRIFICATION SHIFTING OF COMMON TRANSFORMER	4,50,000.00
3	CIVIL WORK	20,00,000.00
4	HT ELECTRIFICATION	94,40,000.00
5	BIS CERTIFICATION	80,000.00
6	PLUMBING/PPR LINE	3,00,000.00
7	SHIFTING	10,00,000.00
8	WAREHOUSE	15,00,000.00
	CONSOLIDATION- SUB TOTAL	1,70,24,000.00
B	PURCHASE OF ADDITIONAL MACHINERY	
1	VACUUM TANK	15,00,000.00
2	DISTRIBUTOR MANAGEMENT SYSTEM	18,00,000.00
3	INJECTION MOULDING	41,18,200.00
4	INJECTION MOULDING DIE PVC ISI	16,40,200.00
5	INJECTION MOULDING DIE PP ISI	17,62,920.00
6	INSTALLATION AND TRANSPORTATION	2,02,410.00

7	WAREHOUSE AT KANNUR	15,93,000.00
	SUB TOTAL	1,26,16,730.00
	TOTAL	2,96,40,730.00

A. Consolidation of Plants

The Board proposes to consolidate its manufacturing plants and Shift operation from four plants to two plants.

- I. Shencotta, Tamil Nadu Plant to Edamon, Kerala Plant
- II. Punalur, Kerala Plant to Kannur, Kerala Plant

B. Purchase of Additional Machinery

The Board proposes to purchase additional machinery and implement Distributor management System. The Additional Machinery includes Vacuum Tank, Injunction Moulding, Injunction Moulding Die Pvc ISI and Injunction Moulding Die Pp ISI

F) Reasons and justification for alteration or change in object clause

I. Reason to cancel HDPE project

The Company in the month of October 2023 had forecasted to raise funds through IPO and to fund a new **HDPE pipe manufacturing project**, with machinery procurement stated post IPO. In the month of August 2024 Company had successfully raised funds and initially focused on project 1 and placed order for the same. Subsequently kept the Project 2 funds aside without utilisation.

However, recent market developments have undermined the viability of this expansion. Demand for HDPE pipes in Kerala has weakened sharply and looking into current urgency to reduce cost and implement consolidation of plants and expansion of Kannur, Kerala Plant, prompted the Board to **propose cancelling the HDPE expansion and redirecting the IPO proceeds towards consolidating our existing manufacturing plants** (reducing from four locations to two) and expansion. This strategic pivot is aimed at cutting costs, restoring profitability, and protecting shareholder value in light of the changing market conditions.

Several factors drive this proposal: (1) External market conditions have turned unfavourable for new HDPE capacity (stagnant local demand and global oversupply), and (2) internal financial pressures demand immediate efficiency improvements. The Company reported losses as on end of march 2025 and so continuing on a loss-making expansion path would be unsustainable. Instead, consolidation and efficiency gains offer a path back to profitability. Below we provide a detailed analysis of the projected financial impact of **proceeding with the HDPE expansion versus opting for plant consolidation**, supported by quantitative estimates and industry data.

Kerala HDPE Market Outlook

The HDPE pipe market outlook in Kerala has deteriorated sharply due to multiple factors, as reflected in both demand and price trends:

- **Jal Jeevan Mission Stalled**

The ambitious Jal Jeevan Mission (JJM), intended to deliver piped water to every rural home by 2024, has effectively come to a standstill in Kerala. As of February 2025, contractors suspended all related pipeline works after the Kerala Water Authority (KWA) failed to clear arrears estimated at approximately ₹4,874 crore. This stoppage has eliminated the previously anticipated government demand for nearly 70,000–80,000 tonnes of HDPE pipes annually under JJM contracts in the state.

- **Global Oversupply and Weak Demand**

Globally, the HDPE pipe market has been in oversupply since early 2024, with average HDPE resin prices falling by approximately 15–20% year-on-year. In India, HDPE pipe prices have declined from around ₹110/kg in mid-2023 to ₹88–90/kg by early 2025, driven by stagnant domestic demand and excess production capacity. Domestic HDPE pipe utilization rates among major manufacturers have dropped to 60–65%, compared to an optimal 85–90%, reflecting subdued market sentiment and weak order inflows.

Pursuing the HDPE extrusion project under these circumstances would risk significant losses, especially given our recent financial results. Continuing with a capital-intensive expansion would exacerbate the challenges we face.

II. Reason to pursue with proposal of Plant Consolidation Plan

The Board recommends consolidating our manufacturing footprint from four sites to two. This move is designed to enhance operational efficiency and reduce expenses, aligning our cost structure with current market realities. Key components of the plan include:

Workforce Rationalization

We will reduce headcount under production and dispatch department from approximately 116 to 100 employees. At an average salary of ₹21,000 per month, this reduction of approximately 16 positions translates into annual payroll savings of roughly ₹40.32 Lakh. This also eliminates redundant supervisory roles and enables tighter oversight and accountability.

Overhead and Facilities Optimization

Operating two sites instead of four will halve many fixed overhead costs, including rent, utilities, and maintenance. Essential equipment and production will be transferred to the most efficient units, while closing the less efficient plants. Fewer campuses also simplify material handling and reduce internal logistics costs.

Lean Process Improvements

With production concentrated in two plants, we will institute lean manufacturing and continuous improvement practices, such as:

- Visual controls and dashboards for production metrics.
- Standardized work procedures and 5S organization.
- Waste elimination and improved inventory management.

These measures are expected to significantly cut operational costs and improve productivity.

Waste Reduction and Quality Improvement

Standardizing equipment and workflows across fewer plants will lead to more consistent processes, reduced scrap, and improved yield. This improves profitability by lowering material and labour costs while enhancing output quality.

Improved Logistics and Oversight

Centralized operations reduce unnecessary internal transport and streamline logistics. Focusing management attention on two sites enables faster problem resolution, better quality control, and more responsive decision-making.

Improved Profitability

The cost reductions from this plan will improve gross margins and operating profit. Plant consolidation projects in similar industries often achieve payback within a year. This approach lowers our breakeven point and strengthens the company's financial position.

Investor Interests

Redirecting the IPO proceeds toward strengthening and consolidating our core operations rather than pursuing a risky HDPE venture aligns with our duty to protect and enhance shareholder value. Stabilizing the company's finances now positions us to resume growth, including revisiting HDPE opportunities in the future if conditions improve.

Strategic Focus

This plan reinforces our commitment to our core PVC pipe business (Balco Pipes), where we have proven expertise and market presence. It demonstrates proactive management in adapting to market changes and improving operational efficiency.

Conclusion

Given the stalled infrastructure projects in Kerala and global oversupply in HDPE pipes, the outlook for a new HDPE manufacturing facility is poor. Proceeding with such a project would likely lead to losses and erode shareholder value. Instead, consolidating our existing manufacturing operations into two efficient plants is a prudent and timely strategy. This plan will reduce costs, eliminate waste, improve profitability, and protect investor interests. We remain committed to keeping all stakeholders informed of our progress and expected outcomes as we implement this plan.

This strategic pivot will strengthen Solve Plastic Products Limited (BALCO) and position us on the path to sustainable profitability.

III. Reason to purchase additional Machinery

SL	Additional Requirement	Amount Rupees
1	Distributor Management System Software	18,00,000.00
2	Vacuum tank	15,00,000.00
3	Injection Moulding	41,18,200.00
4	Injection Moulding Die PVC ISI	16,40,200.00
5	Injection Moulding Die PP ISI	17,62,920.00

1. Implementing a Document Management System (DMS) in the company streamlines sales operations by enabling real-time monitoring of both primary and secondary sales, improving visibility into billing, cash flow and ensuring better control over sales data. With DMS, field executives can directly place orders into the system, reducing delays and manual errors. It also supports loyalty programs for key influencers such as electricians, plumbers, engineers, and architects, helping strengthen engagement and drive sales growth. Overall, the system enhances backend efficiency, reduces manpower dependency, and significantly cuts down the time required for sales analysis, leading to faster decision-making and smoother business operations.
2. Vacuum Tank (SS).

The existing 52/25V vacuum tank made of mild steel has become obsolete due to prolonged exposure to hard water conditions at the Shencotta plant. This has resulted in corrosion, reduced efficiency, and higher rejection levels. Currently, the process generates 6.2% material wastage, which is significantly higher than the industry benchmark of ~2.5%.

3. **Injection Moulding Machine with PVC ISI & PP ISI Dies**

At present, all ISI and PP fittings are currently outsourced, which limits margin realization, quality control, and responsiveness to market demand. During FY 2025–26, outsourced cost reached ₹1.92 crore (including GST), compared to ₹1.0 crore in FY 2024–25, indicating strong growth in demand. By acquisition of this machine the profit margin can be increased.

G) Proposed time within which the proposed varied object would be achieved.

- i) The proposed consolidation plan which includes procurement of machinery, shifting, update of facility and construction of warehouse, installation of new machinery, installation of DMS software

is expected to be completed within **6 to 10 months**. The process involves infrastructural upgrades, relocation of machinery and equipment, and their installation, reinstallation at the consolidated site. Given the complexity and scale of the work, a prolonged timeline is anticipated. The expansion and consolidation is expected to be completed by March 2027.

H) The estimated financial impact of the proposed alteration on the earnings and cashflow of the Company

Operational Savings from Shencotta-Edamon Plant Consolidation

Based on the internal analysis prepared for Shencotta consolidation to Edamon Plant, the estimated annual savings are as follows:

Savings Head	Estimated Annual Savings
Manpower Savings	₹47,30,768.88
Inter-unit Transfer Savings	₹25,60,455.19
Power Savings	₹44,72,784.16
Grinding-cum-Pulveriser Cost Savings	₹94,37,090.00
Total Annual Savings	₹2,12,01,098.23

Accordingly, the consolidation initiative is expected to generate annual operational savings of approximately **₹2.12 crore**, subject to implementation timelines, production planning, and actual operational performance. This is a realistic and traceable benefit because the savings are derived from identifiable cost heads such as manpower, inter-unit transfers, power consumption, and grinding/pulverising-related costs.

Operational Savings from Punalur to Kannur Production Shift

The Company has also evaluated the impact of shifting production from Punalur to Kannur. Current manpower at Kannur Plant is 26 staff. Based on an optimised deployment model of 30 staff, the estimated annual savings are as follows:

Particulars	Details
Current manpower at Kannur Plant	26 staff
Optimised manpower deployment considered	30 staff
Estimated Annual Savings	₹22,32,108.24

Accordingly, by adopting an optimised manpower deployment model with **30 staff**, the Company expects to achieve additional annual savings of approximately **₹22.32 lakh**, subject to actual production volume, shift planning, and operational requirements.

The proposed reallocation of IPO proceeds towards plant consolidation, machinery shifting, and improvement of existing manufacturing facilities is expected to generate potential annual savings of approximately ₹2.34 crore, subject to actual implementation and operating conditions.

This provides a more accountable basis for the proposed change, as the financial benefit is linked to specific, identified cost-saving areas rather than assumptions on potential losses from the cancelled HDPE project.

I) The impact of change on Company and stakeholder

The Board and management remain confident that the restructured plan will enhance value creation for shareholders and benefit all stakeholders. Accordingly, the Board recommends that members approve the variation in objects by way of Special Resolution.

The Promoters and Controlling Shareholders will extend an exit opportunity to dissenting shareholders to the proposed resolution at a price to be determined by a SEBI-registered merchant banker, as prescribed by SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

None of the Directors, Key Managerial Personnel or their relatives is, in any way, financially or otherwise, concerned or interested in the resolution, except to the extent of their shareholding, if any.

The Audit Committee has reviewed the above change in objects, and the Monitoring Agency (CARE Ratings Limited) will report on the utilisation and variation of proceeds in accordance with SEBI ICDR Regulations.

Accordingly, the Board seeks the approval of the members and shareholders to amend the objects of the issue for change in location and change in the objects as set out under the special resolution Item No. 1 and recommends the same for the approval by the members and shareholders of the Company.

REGULATORY REQUIREMENTS

Pursuant to Section 27 of the Companies Act, 2013 read with Rule 7 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a company shall not vary the objects for which the prospectus was issued except with the approval of shareholders by way of Special Resolution, which, in the case of listed entities, is generally obtained through Postal Ballot by remote e-voting process.

Further, pursuant to Regulation 32 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, entities listed on the SME Exchange are required to submit, on a half-yearly basis, statements indicating deviation(s) or variation(s), if any, in the utilisation of proceeds raised through the public issue, and place the same before the Audit Committee, wherever applicable, and the Stock Exchanges.

The Audit Committee of the Company at its meeting held on 15th May 2026 reviewed the proposed variation and recommended the same to the Board of Directors.

The Board of Directors at its meeting held on 15th May 2026 approved the proposed variation in utilisation of IPO proceeds and recommended the Special Resolution set out in this Postal Ballot Notice for approval of the Members.

INTEREST OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

None of the Directors, Key Managerial Personnel of the Company and/or their relatives are in any way concerned or interested, financially or otherwise, in the proposed Resolution except to the extent of their shareholding, if any, in the Company.

Based on the rationale and justification provided above, the Board accordingly recommends the resolution set forth in Item No. 1 of this Postal Ballot Notice for approval of the shareholders of the Company as a special resolution, on the terms set forth above and in the resolution.

By Order of the Board of Directors
For **SOLVE PLASTIC PRODUCTS LIMITED**

Divya Ajanthakumari
Company Secretary & Compliance Officer
Membership No.: A68200

Place: Punalur
Date: 21-05-2026