

N. M. NAGRI & CO.

CHARTERED ACCOUNTANTS

'A' Block, 5th Floor, A-1 & A-2, Safal Profitaire, Opp. Prahlad Nagar Garden, Near Hotel Ramada, Prahlad Nagar,
Ahmedabad-380 015 Tele:(079) 40064694, 40064695, 40061203 ♦E-mail: nmnagri@hotmail.com

INDEPENDENT AUDITOR'S REPORT

To the Partners of

RACE POLYMER ARTS LLP

Opinion

We have audited the accompanying financial statements of **RACE POLYMER ARTS LLP** (the "LLP"), which comprise the Balance Sheet at 31st March, 2023, the Statement of Profit & Loss and the 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 financial statements give the information required by the Limited Liability Partnership Act, 2008 in the manner so required and give a true and fair view in conformity with the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) as amended from time to time and other accounting principles generally accepted in India, of the state of affairs (financial position) of the LLP as at 31st March, 2023, and profit (financial performance) and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by ICAI. 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 LLP 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 Limited Liability Partnership Act, 2008 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.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management of the LLP is responsible for the preparation and fair presentation of the financial statements in accordance with the aforesaid Accounting Standards and Limited Liability Partnership Act, 2008, that give a true and fair view of the financial position, financial performance, and cash flows of the LLP in accordance with the accounting principles generally accepted in India, including the accounting standards applicable to the LLP. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Limited Liability Partnership Act, 2008 for safeguarding of the assets of the LLP 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



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preparation and presentation of the financial statements 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 LLP'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 entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the LLP's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- 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 LLP'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 LLP to cease to continue as a going concern.



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- 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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



Place: Ahmedabad
Date: 29th April, 2023

For, N. M. NAGRI & CO.
Chartered Accountants
Firm Regn. No 106792W

[N. M. NAGRI]
PROPRIETOR
Membership No. 016992
UDIN:23016992BGXVTH3947

RACE POLYMER ARTS LLP

ANNUAL REPORT

F.Y. 2022-23

Race Polymer Arts LLP

Balance Sheet as at 31st March, 2023

(Amt in Rs)

Particulars	Note No.	As at 31st March, 2023	As at 31st March, 2022
CONTRIBUTIONS AND LIABILITIES			
PARTNERS' FUNDS			
(a) Contributions	4A & 4B	12,87,86,888	8,77,55,100
(b) Reserves and Surplus	5	6,17,49,988	6,17,49,988
		19,05,36,876	14,95,05,088
LIABILITIES			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	6	4,16,79,610	5,54,42,596
(ii) Other Financial Liabilities	7	-	62,44,900
(b) Provisions	8	3,27,777	1,83,869
(c) Deferred Tax Liabilities (Net)	9	1,42,68,306	1,12,26,207
		5,62,75,693	7,30,97,572
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowing	10	2,83,96,511	1,93,42,120
(ii) Trade Payables	11		
-total outstanding dues of micro enterprises and small enterprises		66,52,249	96,09,896
-total outstanding dues of creditors other than micro enterprises and small enterprises		1,07,22,326	1,30,41,097
(iii) Other Financial Liabilities	12	53,07,650	26,30,379
(b) Other Current Liabilities	13	1,59,617	22,26,020
(c) Provisions	14	2,02,481	1,78,104
(d) Current Tax Liabilities (Net)	15	-	45,54,676
		5,14,40,834	5,15,82,292
Total Contribution and Liabilities		29,82,53,403	27,41,84,952
ASSETS			
(1) Non- Current Assets			
(a) Property, Plant and Equipment	16	17,46,49,532	14,49,03,162
(b) Capital Work-in-Progress	16	-	10,22,183
(c) Financial Assets			
(i) Other Financial Assets	17	16,38,587	16,38,587
(d) Other Non-Current Assets	18	15,97,636	35,67,500
		17,78,85,755	15,11,31,432
(2) Current Assets			
(a) Inventories	19	5,24,26,471	4,69,28,247
(b) Financial Assets			
(i) Trade Receivables	20	5,57,20,854	6,58,07,984
(ii) Cash and Cash Equivalents	21	90,536	40,042
(iii) Other Financial Assets	22	1,13,01,971	99,48,006
(c) Other Current Assets	23	8,27,816	3,29,241
		12,03,67,648	12,30,53,520
Total Assets		29,82,53,403	27,41,84,952

The accompanying Notes 1 to 40 are integral part of these Financial Statements.

As per our report of even date attached.
For N.M. NAGRI & CO.
Chartered Accountants
(Firm Regn.No.: 106792W)

For and on behalf of Race Polymer Arts LLP,

Mr. Ashish Sharadkumar Nemani.

Nominee of
SHREEYAM CERAMICS LLP
(Formerly known as
Nemani Mould Plast LLP)
DIN: 01269707

Mr. Siddharth Patel
Nominee of
CERA SANITRYWARE LTD

DIN: 09828300

[N.M. NAGRI]
Proprietor
Membership No. 016992

PLACE : Ahmedabad
DATE : 29th April, 2023



PLACE : Ahmedabad
DATE : 29th April, 2023



Race Polymer Arts LLP

Statement of Profit and Loss for the year ended 31st March, 2023

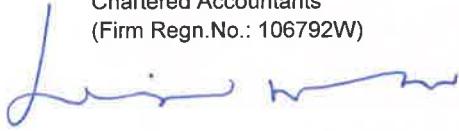
(Amt in Rs.)

Sr. No.	Particulars	Note No.	Year ended 31st March, 2023	Year ended 31st March, 2022
I	Revenue from Operations	24	46,28,02,801	38,88,24,764
II	Other Income	25	72,511	1,01,62,168
III	Total Income		46,28,75,312	39,89,86,932
IV	Expenses			
	Cost of Materials Consumed	26	30,69,88,556	26,70,54,112
	Changes in Inventories of Finished goods and Work -in- Progress	27	(68,55,561)	(72,55,841)
	Employee Benefits Expense	28	2,06,74,829	1,53,14,468
	Finance Costs	29	57,35,702	58,42,302
	Depreciation and Amortisation Expense	16	1,78,49,232	1,59,44,761
	Other Expenses	30	7,42,37,473	5,53,96,439
	Total Expenses		41,86,30,231	35,22,96,241
V	Profit / (Loss) before Tax		4,42,45,081	4,66,90,691
VI	Tax Expense :			
	(1) Current Tax	31	1,24,16,094	1,49,17,551
	(2) Deferred Tax	9	30,42,099	16,29,276
	Total Tax Expenses		1,54,58,193	1,65,46,827
VII	Profit / (Loss) for the year		2,87,86,888	3,01,43,864

The accompanying Notes 1 to 40 are integral part of these Financial Statements.

As per our report of even date attached.
For N.M. NAGRI & CO.
Chartered Accountants
(Firm Regn.No.: 106792W)

For and on behalf of Race Polymer Arts LLP,



[N.M. NAGRI]
Proprietor
Membership No. 016992

PLACE : Ahmedabad
DATE : 29th April, 2023




Mr. Ashish Sharadkumar Nemani.
Nominee of
SHREEYAM CERAMICS LLP
(Formerly known as
Nemani Mould Plast LLP)
DIN: 01269707

PLACE : Ahmedabad
DATE : 29th April, 2023



Mr. Siddharth Patel
Nominee of
CERA SANITRYWARE I
DIN: 09828300



Race Polymer Arts LLP

Cash Flow Statement for the year ended 31st March, 2023

		(Amt in Rs.)	
Sr. No.	Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
A.	Cash Flow from Operating Activities		
	Net Profit Before Tax	4,42,45,081	4,66,90,691
	Adjusted for:		
	Depreciation	1,78,49,232	1,59,44,761
	Finance Cost	57,35,702	58,42,302
	Interest Subsidy Receivable		(98,79,432)
	Provision for Gratuity	93,522	84,365
	Petty Balance Written off		(75)
	Interest Income	(58,761)	(76,194)
	Items pertaining to previous year, unspent liabilities and provisions no longer required written back (net)	(13,750)	(2,00,000)
	Sub Total	2,36,05,945	1,17,15,727
	Operating Profit before Working Capital Change	6,78,51,026	5,84,06,418
	Adjustment for Change in Working Capital		
	(Increase)/Decrease in Inventories	(54,98,224)	(20,53,053)
	(Increase)/Decrease in Trade Receivables	1,00,87,130	(79,10,960)
	(Increase)/Decrease in Other Financial Assets	(12,84,325)	1,16,494
	(Increase)/Decrease in Other Assets	14,71,289	29,89,093
	Increase/(Decrease) in Trade Payable	(52,76,418)	(65,09,508)
	Increase/(Decrease) in Other Financial Liabilities	26,77,271	9,41,241
	Increase/(Decrease) in Provisions	77,633	90,666
	Increase/(Decrease) in Other Current Liabilities	(20,66,403)	20,82,699
	Sub Total	1,87,953	(1,02,53,328)
	Cash Generation from Operations	6,80,38,979	4,81,53,090
	Less: Direct Taxes Paid	1,69,70,770	1,79,27,406
	Net Cash from Operating Activities (Total A)	5,10,68,209	3,02,25,684
B	Cash Flow From Investing Activities		
	Payment for purchase of Property, Plant and Equipments	(4,65,73,419)	(2,32,16,102)
	Proceeds from sale of Property, Plant and Equipments		
	Net Cash Used in Investing Activities (Total B)	(4,65,73,419)	(2,32,16,102)
C	Cash Flow from Financing Activities		
	Proceed from Partners Contributions	1,22,44,900	1,53,06,120
	Payments for Long Term Borrowing	(1,40,10,956)	(1,36,24,854)
	Proceeds/ (Payments) from Short Term Borrowing	93,02,361	47,10,530
	Advance Contribution from CERA Sanitaryware Ltd.	(62,44,900)	(78,06,120)
	Finance Cost	(57,35,702)	(58,42,302)
	Net Cash Used in Financing Activities (Total C)	(44,44,297)	(72,56,626)
	Changes in Cash & cash equivalents (A+B+C)	50,494	(2,47,044)
	Opening Balance Cash and Cash Equivalents	40,042	2,87,086
	Closing Balance Cash and Cash Equivalents	90,536	40,042

Notes to Cash Flow Statement

- Components of cash and cash equivalents
Balances with banks
Cash on hand
- The above Cash Flow Statement has been prepared using the 'Indirect Method' as set out in Accounting Standard - 3 "Cash Flow Statements".
- The accompanying Notes 1 to 40 are integral part of these Financial Statements.

As per our report of even date attached.
For N.M. NAGRI & CO.
Chartered Accountants
(Firm Regn.No.: 106792W)

For and on behalf of Race Polymer Arts LLP,

Mr. Ashish Sharadkumar Nemani
Nominee of
SHREEYAM CERAMICS LLP
(Formerly known as
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DIN: 01269707

Mr. Siddharth Patel
Nominee of
CERA SANITARYWARE LTD.
DIN: 09828300

[N.M. NAGRI]
Proprietor
Membership No. 016992

PLACE : Ahmedabad
DATE : 29th April, 2023

PLACE : Ahmedabad
DATE : 29th April, 2023



RACE POLYMER ARTS LLP

Significant Accounting Policies & Practices

(Annexed to and forming part of Financial Statements for the year ended 31st March 2023)

1) LLP Profile:

(a) **RACE POLYMER ARTS LLP** (hereinafter referred to as the LLP) (LLP Identification No. AAM-5483) was incorporated under the Limited Liability Partnership Act, 2008 by obtaining the Certificate of Incorporation dated 3rd May 2018 issued by the Ministry of Corporate Affairs, Registrar, Ahmedabad. The Registered Office of the LLP is situated at Survey no. 949, 77, 81 Village – Mitha Gamanpura, Palaj Road, Mehsana – Bhecharaji Highway, Dist. – Mehsana, Gujarat, 384410, India. The LLP is engaged in the business of manufacturing plastic products and / or other products related to the business activities of seat-cover, cistern, fitting etc. The LLP commenced its commercial production on and from 30th April, 2019.

(b) LLP Agreement U/s 23(4) of the LLP Act, 2008 was executed at Balol, District Mehsana on 09th May 2018 between **Cera Sanitaryware Limited** (represented through its nominee Mr. Prem Chand Surana) and **Nemani Mould Plast LLP** (now known as Shreeyam Ceramics LLP) (represented through its nominee Mr. Ashish Sharadkumar Nemani) whereby Cera Sanitaryware Limited (CSL) became a partner of the LLP on 09th May 2018 having 51% share in capital contribution and in profit/loss sharing. Thus the LLP became the subsidiary of CSL w.e.f. 09th May 2018. Both the nominees are designated partners of the LLP. Shri P.C. Surana was nominated as designated partner in the LLP w.e.f. 9th May, 2018 till 15th March, 2023. Shri Siddharth Patel has been nominated as designated partner by Cera Sanitaryware Limited w.e.f. 15.03.2023.

The partners executed Addendum to the LLP Agreement on 13th November, 2018 for increasing the capital contributions of partners from Rs. 1 Lakh to Rs. 10 Crore in order to fulfil the funds requirements of the LLP.

Further, the partners also executed Addendum to the LLP Agreement on 15th January, 2020 to give effect of the change of name of Nemani Mould Plast LLP to Shreeyam Ceramics LLP with effect from 27th November, 2019.

2) Basis of Preparation of Financial Statements:

The Statement of Accounts of the LLP have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) and relevant provisions of Rule 24 of the Limited Liability Partnership Rules, 2009 (The Rules). The Statement of Accounts has been prepared on accrual basis on a going concern, under the historical cost convention.



3) **Significant Accounting Policies:**

3.1 **Property, Plant and Equipment**

[a] **Tangible Assets**

[i] **Recognition and Measurement**

Tangible assets are measured at cost which includes capitalized borrowing costs, less accumulated depreciation and impairment losses, if any. The cost of an item of tangible assets comprises its purchase price, including import duties and other non-refundable taxes or levies, freight, any directly attributable cost of bringing the asset to its working condition for its intended use and estimated cost of dismantling and restoring onsite; any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes expenditures directly attributable to the acquisition of the asset.

[ii] **Subsequent Expenditure**

Subsequent expenditures related to an item of tangible fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

[iii] **Derecognition**

The cost and related accumulated depreciation are eliminated from the statement of assets and liabilities upon sale or disposition of the asset and the resultant gains or losses are recognised in the statement of Profit and Loss.

[iv] **Depreciation / Amortization**

Depreciation is calculated on cost of items of property, plant and equipment (other than freehold land and properties under construction) less their estimated residual values over their estimated useful lives using the straight line method in respect of plant and machinery, electric plant and installation and Dies and moulds and using the written down value method in respect of other assets. Depreciation is generally recognised in the Statement of Profit and Loss.

Useful lives have been determined in accordance with Schedule II to the Companies Act, 2013 except Dies and Moulds where useful life has been taken based on external/internal technical evaluation as under:

Particulars	Useful Life
Dies and Moulds	3 years

The residual values are not more than 5% of the original cost of the asset.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted, if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives best represent the period over which management expects to use these assets.

Depreciation on additions (disposals) is provided on a pro rata basis that is from (up to) the date on which asset is ready for use (disposed of).



[b] Capital work-in-progress

Projects under commissioning and other Capital work-in-progress are carried at cost comprising of direct and indirect costs, related incidental expenses and attributable interest. Depreciation on Capital work-in-progress commences when assets are ready for their intended use and transferred from Capital work-in-progress Group to Tangible Fixed Assets Group.

3.2 Borrowing Costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition or construction of qualifying asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the respective asset until such time the assets are substantially ready for their intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred and reported in finance costs.

3.3 Operating Cycle

Based on the nature of products/activities of the LLP and the normal time between purchase of raw materials and their realisation in cash or cash equivalents, the LLP has determined its operation cycle within 12 months for the purpose of classification of its assets and liabilities as current and non-current.

3.4 Current versus Non-Current Classification

The LLP presents assets and liabilities in the Balance Sheet based on current/ non-current classification.

An asset/ liability is treated as current when it is:-

- *Expected to be realised or intended to be sold or consumed or settled in normal operating cycle
- *Held primarily for the purpose of trading.
- * Expected to be realised/ settled within twelve months after the reporting period, or
- * Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- * There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other assets and liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

3.5 Inventories

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, wherever considered necessary. The cost of inventories comprises of all costs of purchase, costs of conversion and other costs including manufacturing overheads incurred in bringing the inventories to their present location and condition. Cost of raw materials, general stores and spares and finished goods are determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less any applicable selling expenses.



The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

Excess/ shortages, if any, arising on physical verification are absorbed in the respective consumption accounts.

3.6 Cash and Cash Equivalents

Cash and cash equivalents include cash and cheques in hand, bank balances, demand deposits with banks and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value where original maturity is three months or less.

3.7 Cash Flow Statement

Cash flows are reported using the indirect method whereby the profit before tax is adjusted for the effect of the transactions of a non cash nature, any deferrals or accruals of past and future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the LLP are segregated.

3.8 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the LLP has a present obligation (legal or constructive) as a result of a past event and 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.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Contingent liability is disclosed in the case of:

* a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation.

* a present obligation arising from past events, when no reliable estimate is possible.

Contingent assets are neither recognised nor disclosed in the Financial Statements.

3.9 Revenue Recognition

Revenue is recognised to the extent that it is probable that economic benefits will flow to the LLP and revenue can be reliably measured.

Revenue from Sale of Goods

Revenue from sale of goods is recognised when the significant risks and rewards of ownership in the goods are transferred to the customers and no effective control of the goods transferred is retained by the LLP. Sales are stated net of taxes, duties and Sales Returns.



Interest and Other Income

Interest income and expenses are reported on an accrual basis using the effective interest method. Other income is recognised on accrual basis except where the receipt of income is uncertain.

3.10 Employee Benefits

Employee benefits include provident fund, pension fund, gratuity and compensated absences.

Defined Contribution Plans

The LLP's contribution to provident fund and pension fund is considered as defined contribution plan and is charged as an expense as they fall due based on the amount of contribution required to be made and when services are rendered by the employees. The LLP has no legal or constructive obligation to pay contribution in addition to its fixed contribution.

Defined Benefit Plans

The LLP's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined benefit plans is determined based on actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Statement of assets and liabilities date, having maturity periods approximating to the terms of related obligations. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss and on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs.

Short-term Employee Benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include salaries, wages, performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such compensated absences is accounted as under:

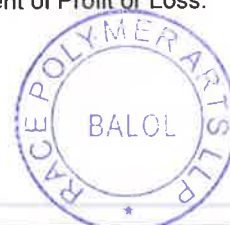
- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

Long-term Employee Benefits

Compensated absences and other benefits like gratuity which are allowed to be carried forward over a period in excess of 12 months after the end of the period in which the employee renders the related service are recognised as a non-current liability at the present value of the defined benefit obligation as at the Balance Sheet date out of which the obligations are expected to be settled.

3.11 Taxes on Income

Income tax comprises Current and Deferred Tax. It is recognised in the Statement of Profit or Loss.



Current Tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred Tax

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the LLP has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Statement of assets and liabilities date for their realisability.

3.12 Significant Judgments, Estimates and Assumptions

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the period reported. Actual results could differ from those estimates. Any revision to accounting estimates is recognized in accordance with the requirements of the respective accounting standards.

3.13 Government Grants

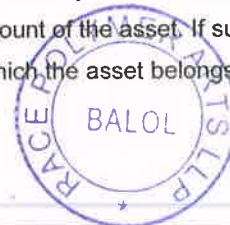
Government grants sanctioned to the LLP are recognised :

- (i) where there is reasonable assurance that the LLP will comply with the conditions associated with them; and
- (ii) where such benefits have been earned by the LLP and it is reasonably certain that the ultimate collection will be realized.

Government grants related to the acquisition of fixed assets are shown as a deferred income over the useful life of asset.

3.14 Impairment

The LLP assesses at each Statement of Assets and Liabilities date whether there is any indication that an asset may be impaired. If any such indication exists, the LLP estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its



carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.



Race Polymer Arts LLP

Notes to Financial Statements as at 31st March, 2023

Note - 4A. CONTRIBUTIONS

(Amt in Rs)

Sr. No.	Particulars	As at 31st March, 2023	As at 31st March, 2022
	Contributions from Partners:		
1	Cera Sanitaryware Ltd. (Nominee Shri Siddharth Patel is a Designated Partner w.e.f. 15th March, 23) (Shri P.C.Surana ceased to be a Designated Partner w.e.f. 15th March, 23) (Share in Profit / Loss 51%)		
	Opening Balance	4,47,55,100	3,69,48,980
	Additions During the year	62,44,900	78,06,120
	Total	5,10,00,000	4,47,55,100
2	Shreeyam Ceramics LLP (Formerly known as Nemani Mould Plast LLP) (Nominee Shri Ashish Sharadkumar Nemani is a Designated Partner) (Share in Profit / Loss 49%)		
	Opening Balance	4,30,00,000	3,55,00,000
	Additions During the year	60,00,000	75,00,000
	Total	4,90,00,000	4,30,00,000
	Total 4A	10,00,00,000	8,77,55,100

Note - 4B. CONTRIBUTIONS-CURRENT

Sr. No.	Particulars	As at 31st March, 2023	As at 31st March, 2022
	Contributions from Partners:		
1	Cera Sanitaryware Ltd. (Nominee Shri Siddharth Patel is a Designated Partner w.e.f. 15th March, 23) (Shri P.C.Surana ceased to be a Designated Partner w.e.f. 15th March, 23) (Share in Profit / Loss 51%)		
	Opening Balance	-	-
	Additions : Transfer of Profit for the year	1,46,81,313	-
	Distribution of Profit	-	-
	Total	1,46,81,313	-
2	(Nominee Shri Ashish Sharadkumar Nemani is a Designated Partner) (Share in Profit / Loss 49%)		
	Opening Balance	-	-
	Additions : Transfer of Profit for the year	1,41,05,575	-
	Distribution of Profit	-	-
	Total	1,41,05,575	-
	Total 4B	2,87,86,888	-
	Total 4A + 4B	12,87,86,888	8,77,55,100

NOTE - 5. RESERVES AND SURPLUS

Sr. No.	Particulars	As at 31st March, 2023	As at 31st March, 2022
1	Statement of Profit and Loss		
	At the commencement of the year	6,17,49,988	3,16,06,124
	Profit / (Loss) for the year	2,87,86,888	3,01,43,864
	Less : Profit/loss distributed among partners	2,87,86,888	-
	At the end of the year	6,17,49,988	6,17,49,988



Race Polymer Arts LLP

Notes to Financial Statements as at 31st March, 2023

Note - 6. BORROWINGS: NON - CURRENT

Sr.No.	Particulars	As at 31st March, 2023	As at 31st March, 2022
	Long Term Borrowings		
	Term Loans (Secured)		
	From HDFC Bank Ltd.	4,16,79,610	5,54,42,596
	Total	4,16,79,610	5,54,42,596

- 6.1 Term loans are secured by equitable mortgage (EM) of lands at revenue survey no. 949, 77 and 81 together with factory buildings constructed thereon at Mauje Gamanpura & Mitha, Village - Balol, Mehsana- Becharaji Road, Dist. Mehasana - 384410 Gujarat and also secured by hypothecation of Plant and Equipments, Inventories and Book Debts. Also Shreeyam Ceramics LLP (formerly known as Nemani Mould Plast LLP), Shri Ashish Sharadkumar Nemani have given personal / corporate guarantee in favour of HDFC Bank Ltd.
- 6.2 Term loans are repayable in 68 equal monthly instalments of Rs. 15.97 Lakhs (Principle and Interest) beginning from February, 2021 to Sept, 2026.
- 6.3 Rate of interest April-May, 2022 : 7.15%, June to Sep 2022 : 7.55%, Oct- Dec, 2022 : 8.55% & Jan to Mar, 2023 : 9.40% (Floating R

Note - 7. OTHER FINANCIAL LIABILITIES: NON - CURRENT

Sr. No.	Particulars	As at 31st March, 2023	As at 31st March, 2022
	Advance Contribution from Cera Sanitaryware Ltd. (Holding Company)	-	62,44,900
	Total	-	62,44,900

Note - 8. PROVISIONS: NON - CURRENT

Sr.No.	Particulars	As at 31st March, 2023	As at 31st March, 2022
	Non-Current Provisions		
	Provision for Employee Benefits		
	(a) Provision for Leave Encashment	1,33,367	67,796
	(b) Provision for Gratuity	1,94,410	1,16,073
	Total	3,27,777	1,83,869



Race Polymer Arts LLP

Notes to Financial Statements as at 31st March-2023

Note - 9. DEFERRED TAX LIABILITIES (NET)

(Amt in Rs)

Sr. No.	Particulars	As at	As at
		31st March, 2023	31st March, 2022
1	Deferred Tax Liabilities (Arising on account of timing difference)		
	(a) Assets: Impact of difference between carrying value and tax base of Depreciable assets	1,44,53,599	1,13,10,825
	Total Deferred Tax Liabilities (A)	1,44,53,599	1,13,10,825
2	Deferred Tax Assets (Arising on account of timing difference)		
	(a) Provision for Leave Encashment	58,087	31,857
	(b) Provision for Gratuity	83,801	52,761
	(c) Provision for Bonus	43,405	-
	Total Deferred Tax Assets (B)	1,85,293	84,618
	Total (A - B)	1,42,68,306	1,12,26,207

Reconciliation of Deferred Tax Assets / Liabilities (Net):

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening Balance	1,12,26,207	95,96,931
Tax (Income)/Expense during the period recognised in Profit or Loss	30,42,099	16,29,276
Tax (Income)/Expense during the period recognised directly in Reserves and Surplus	-	-
Closing balance	1,42,68,306	1,12,26,207

Movements in DTA:

Particulars	Leave Encashment	Gratuity	Carry forward Loss	Bonus	Unabsorbed Dep.	Total
At 1st April, 2021	25,148	23,280	-	16,896	-	65,324
(Charged)/Credited: to Profit or Loss	6,709	29,481	-	(16,896)	-	19,294
to Reserves and Surplus	-	-	-	-	-	-
At 31st March, 2022	31,857	52,761	-	-	-	84,618
(Charged)/Credited: to Profit or Loss	26,230	31,040	-	43,405	-	1,00,675
to Reserves and Surplus	-	-	-	-	-	-
At 31st March, 2023	58,087	83,801	-	43,405	-	1,85,293

Movements in DTL:

Particulars	Assets : Impact of difference between Tax Depreciation and Depreciation / amortization charged for the financial reporting
At 1st April, 2021	60,33,009
Charged/(Credited): to Profit or Loss	52,77,816
to Reserves and Surplus	-
At 31st March, 2022	1,13,10,825
Charged/(Credited): to Profit or Loss	31,42,774
to Reserves and Surplus	-
At 31st March, 2023	1,44,53,599



Race Polymer Arts LLP

Notes to Financial Statements as at 31st March 2023

Note - 10. BORROWINGS - CURRENT

(Amt in Rs)

Sr. No.	Particulars	As at 31st March, 2023	As at 31st March, 2022
Loans Repayable on Demand (Secured)			
1	Cash Credit from HDFC Bank	1,40,12,891	47,10,530
2	Current Maturity of Long Term Borrowings	1,43,83,620	1,46,31,590
Total		2,83,96,511	1,93,42,120

- 10.1 All securities mentioned in Note No. 6.1 are also extended for Cash Credit facilities.
- 10.2 Rate of interest April-May, 2022 : 7.15%, June to Sep 2022 : 7.55%, Oct- Dec, 2022 : 8.55% & Jan to Mar 2023 : 9.40% (Floating Rate)

Note - 11. TRADE PAYABLES

Sr. No.	Particulars	As at 31st March, 2023	As at 31st March, 2022
1	Dues of Micro Enterprises and Small Enterprises (Refer to Note No. 34)	66,52,249	96,09,896
2	Dues of Creditors Other than Micro Enterprises and Small Enterprises	1,07,22,326	1,30,41,097
Total		1,73,74,575	2,26,50,993

Note - 12. OTHER FINANCIAL LIABILITIES: CURRENT

Sr. No.	Particulars	As at 31st March, 2023	As at 31st March, 2022
Other Current Financial Liabilities			
1	Expenses Payable	51,06,168	24,10,801
2	Employee Related Payable	2,01,482	2,19,578
Total		53,07,650	26,30,379

Note - 13. OTHER CURRENT LIABILITIES

Sr. No.	Particulars	As at 31st March, 2023	As at 31st March, 2022
	Statutory dues	1,59,617	22,26,020
Total		1,59,617	22,26,020

Note - 14. PROVISIONS: CURRENT

Sr. No.	Particulars	As at 31st March, 2023	As at 31st March, 2022
Provision for Employee Benefits			
	(a) Provision for Bonus / Exgratia	1,24,212	1,19,821
	(b) Provision for Leave Encashment	32,863	23,369
	(c) Provision for Gratuity	45,406	34,914
Total		2,02,481	1,78,104

Note - 15. CURRENT TAX LIABILITIES (NET)

Sr. No.	Particulars	As at 31st March, 2023	As at 31st March, 2022
	Provision for Tax (Net)		
	Current Year Rs. 1,24,16,094/- net of Advance Tax and TDS of Rs. 1,37,75,957/- shown under Note No. 22 - Rs. 1359863/- (Previous Year Rs. 1,49,17,551/- net of Advance Tax and TDS of	-	45,54,676
Total		-	45,54,676



Race Polymer Arts LLP

Notes to Financial Statements as at 31st March, 2023

Note - 16. PROPERTY, PLANT , EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

(Amt. in Rs.)												
(a) Property, Plant and Equipment												
Sr. No.	Particulars	Freehold Land	Buildings	Plant and Equipments	Electrical Installations	Dies and Moulds	Lab Equipments	Furniture and Fixtures	Office Equipments	Computers	Vehicle	Total
1	Cost of Assets											
	As at 1st April, 2021	1,38,02,441	4,07,16,814	6,45,78,663	89,95,237	2,20,43,300	1,24,438	3,13,712	53,829	96,076	6,12,000	15,13,36,510
	Addition/ Transfers	-	1,69,68,791	54,80,566	11,45,077	59,33,000	-	-	-	11,250	-	2,95,38,684
	Disposal / Adjustments	-	-	-	-	-	-	-	-	-	-	-
	As at 31st March, 2022	1,38,02,441	5,76,85,605	7,00,59,229	1,01,40,314	2,79,76,300	1,24,438	3,13,712	53,829	1,07,326	6,12,000	18,08,75,194
	Addition/ Transfers	-	57,08,264	2,65,63,222	6,400	1,52,99,454	-	18,262	-	-	-	4,75,95,602
	Disposal / Adjustments	-	-	-	-	-	-	-	-	-	-	-
	As at 31st March, 2023	1,38,02,441	6,33,93,869	9,66,22,451	1,01,46,714	4,32,75,754	1,24,438	3,31,974	53,829	1,07,326	6,12,000	22,84,70,796
2	Depreciation / Amortisation											
	As at 1st April, 2021	-	68,18,932	32,92,209	16,37,541	77,38,786	16,901	1,27,939	36,531	76,447	2,81,985	2,00,27,271
	Charge for the year	-	42,16,015	25,33,722	8,63,529	81,38,301	11,821	48,097	14,193	16,019	1,03,064	1,59,44,761
	Disposal / Adjustments	-	-	-	-	-	-	-	-	-	-	-
	As at 31st March, 2022	-	1,10,34,947	58,25,931	25,01,070	1,58,77,087	28,722	1,76,036	50,724	92,466	3,85,049	3,59,72,032
	Charge for the year	-	46,34,699	30,50,331	9,63,777	90,72,503	10,835	37,945	1,400	6,865	70,877	1,78,49,232
	Disposal / Adjustments	-	-	-	-	-	-	-	-	-	-	-
	As at 31st March, 2023	-	1,56,69,646	88,76,262	34,64,847	2,49,49,590	39,557	2,13,981	52,124	99,331	4,55,926	5,38,21,264
3	Net Block											
	As at 31st March, 2022	1,38,02,441	4,66,50,658	6,42,33,298	76,39,244	1,20,99,213	95,716	1,37,676	3,105	14,860	2,26,951	14,49,03,162
	As at 31st March, 2023	1,38,02,441	4,77,24,223	8,77,46,189	66,81,867	1,83,26,164	84,861	1,17,993	1,705	7,995	1,56,074	17,46,49,532
(b) Capital work-in-progress												
	As at 1st April, 2021	-	73,44,765	-	-	-	-	-	-	-	-	73,44,765
	Addition for the year	-	10,22,183	-	-	-	-	-	-	-	-	10,22,183
	Transfer to Fixed Assets/Adjustment	-	(73,44,765)	-	-	-	-	-	-	-	-	(73,44,765)
	As at 31st March, 2022	-	10,22,183	-	-	-	-	-	-	-	-	10,22,183
	Addition for the year	-	-	-	-	-	-	-	-	-	-	-
	Transfer to Fixed Assets/Adjustment	-	(10,22,183)	-	-	-	-	-	-	-	-	(10,22,183)
	As at 31st March, 2023	-	-	-	-	-	-	-	-	-	-	-

Notes:

- Factory Land & Building at Survey no. 949, 77 and 81, Mauje Gamanpura & Milha, Village - Balol, Mehasana- Becharaji Road, Dist. Mehasana - 384410 Gujarat are mortgaged (EM) with HDFC Bank Ltd. against term loan availed and also Plant and Equipments are hypothecated to secure working capital and term loan facilities from HDFC Bank Ltd.
- The amount of Contractual Commitments (Net of Advances) for the acquisition of Property, Plant and Equipment is Rs. 1,06,46,195/- as on 31st March, 2023 and Rs 1,67,62,500/- as on 31st March, 2022.



Race Polymer Arts LLP

Notes to Financial Statements as at 31st March 2023

Note - 17. OTHER FINANCIAL ASSETS: NON - CURRENT

(Amt in Rs)

Sr.No.	Particulars	As at 31st March, 2023	As at 31st March, 2022
	Security Deposits (UGVCL) - Unsecured, Considered Good	16,38,587	16,38,587
	Total	16,38,587	16,38,587

Note - 18. OTHER NON-CURRENT ASSETS

Sr. No.	Particulars	As at 31st March, 2023	As at 31st March, 2022
	Capital Advances	15,97,636	35,67,500
	Total	15,97,636	35,67,500

Note - 19. INVENTORIES

Sr. No.	Particulars	As at 31st March, 2023	As at 31st March, 2022
	As taken, valued & certified by the Management At Lower of Cost and Net Realisable Value		
1	Raw Materials	1,32,83,496	1,52,09,608
2	Work-in-Progress	70,85,077	73,91,464
3	Finished Goods	2,66,78,942	1,95,16,994
4	Stores and Spares	53,78,958	48,10,181
	Total	5,24,26,471	4,69,28,247

19.1 Inventories are hypothecated to secure working capital and term loan facilities from HDFC Bank Ltd.

Note - 20. TRADE RECEIVABLES - CURRENT

Sr.No.	Particulars	As at 31st March, 2023	As at 31st March, 2022
1	Trade Receivables considered good - Unsecured *	5,57,20,854	6,58,07,984
	Total	5,57,20,854	6,58,07,984

20.1 *Debts due by Cera Sanitaryware Ltd. Rs. 4,74,03,267/- (31.03.2022: Rs. 6,07,32,713/-)

The LLP is subsidiary of Cera Sanitaryware Ltd.

20.2 Trade Receivables are hypothecated to secure working capital and term loan facilities from HDFC Bank Ltd.

20.3 Refer to Note No. 32 for dues from Related Parties.

Note - 21. CASH & CASH EQUIVALENTS

Sr. No.	Particulars	As at 31st March, 2023	As at 31st March, 2022
1	Balances with banks in current accounts	-	-
2	Cash on hand	90,536	40,042
	Total	90,536	40,042

Note - 22. OTHER FINANCIAL ASSETS: CURRENT

Sr. No.	Particulars	As at 31st March, 2023	As at 31st March, 2022
1	Interest receivable on Security Deposits	62,676	68,574
2	TDS and TCS Receivable (Net) (Refer Note No. 15)	13,59,863	-
3	Government Grant Receivable (Interest Subsidy)	98,79,432	98,79,432
	Total	1,13,01,971	99,48,006

Note - 23. OTHER CURRENT ASSETS

Sr. No.	Particulars	As at 31st March, 2023	As at 31st March, 2022
	Advances other than Capital Advances		
(i)	Prepaid Expenses	97,612	1,06,632
(ii)	Balances with Tax Authorities (GST)	7,30,204	2,22,609
	Total	8,27,816	3,29,241



Race Polymer Arts LLP

Notes to Financial Statements for the year ended 31st March, 2023

Note - 24. REVENUE FROM OPERATIONS

(Amt in Rs)

Sr. No.	Particulars	Year ended 31st March,2023	Year ended 31st March,2022
	Revenue from Operations		
(a)	Sale of products (Manufactured)		
	Domestic Sales (includes sales to Related Parties (Refer Note No. 32))	46,14,40,968	38,70,29,195
(b)	Other Operating Revenue		
(i)	Scrap Sales	13,61,208	14,16,969
(ii)	Cash Discount	625	3,78,600
	Total	46,28,02,801	38,88,24,764

Note - 25. OTHER INCOME

Sr. No.	Particulars	Year ended 31st March,2023	Year ended 31st March,2022
(a)	Interest Income		
(i)	On Security Deposit	58761	76,194
(ii)	On Income Tax Refund	-	639
(b)	Other Non Operating Revenue		
(i)	Government Subsidy	-	98,79,432
(ii)	Petty Balance Written Back	-	75
(iii)	Miscellaneous Receipts	-	5,828
(iv)	Items pertaining to previous year, unspent liabilities and provisions no longer required written back (net)	13,750	2,00,000
	Total	72,511	1,01,62,168

Note - 26. COST OF MATERIALS CONSUMED

Sr. No.	Particulars	Year ended 31st March,2023	Year ended 31st March,2022
	Opening Stock	1,52,09,608	2,15,61,431
Add:	Purchases	30,50,62,444	26,07,02,289
Less:	Closing Stock	1,32,83,496	1,52,09,608
	Total	30,69,88,556	26,70,54,112

Note - 27. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Sr. No.	Particulars	Year ended 31st March,2023	Year ended 31st March,2022
	Inventories at the end of the year:		
	Work in Progress	70,85,077	73,91,464
	Finished Goods	2,66,78,942	1,95,16,994
		3,37,64,019	2,69,08,458
	Inventories at the beginning of the year:		
	Work in Progress	73,91,464	70,66,964
	Finished Goods	1,95,16,994	1,25,85,653
		2,69,08,458	1,96,52,617
	Total	(68,55,561)	(72,55,841)



Race Polymer Arts LLP

Notes to Financial Statements for the year ended 31st March, 2023

Note - 28. EMPLOYEE BENEFITS EXPENSE

		(Amt in Rs)	
Sr. No.	Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
1	Salaries and Wages	2,02,62,122	1,50,09,148
2	Contribution to Provident and other Funds	2,46,858	2,08,455
3	Staff Welfare Expenses	1,65,849	96,865
Total		2,06,74,829	1,53,14,468

Note - 29. FINANCE COSTS

Sr. No.	Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
1	Interest Costs		
(a)	On Term Loans	51,90,945	50,83,563
(b)	On Working Capital Loans	5,47,051	1,98,817
(c)	Interest on Income Tax	(2,294)	5,59,922
Total		57,35,702	58,42,302

Note - 30. OTHER EXPENSES

Sr. No.	Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
	Consumption of Stores and Packing Material		
	Opening Stock	48,10,181	36,61,146
	Add: Purchases	6,18,93,495	4,66,87,217
	sub total	6,67,03,676	5,03,48,363
	Less : Closing Stock	53,78,956	48,10,181
		6,13,24,720	4,55,38,182
	Power and Fuel (Net)	98,16,436	73,60,757
	Repairs and Maintenance		
	- To Plant and Machinery	2,16,154	6,21,740
	- To Other Assets	81,420	1,13,574
	Insurance Premium Expenses	6,71,216	5,90,891
	Freight Outward, Coolies and Cartages	5,450	57,700
	Payments to Auditors		
	- Statutory Audit fees	1,10,000	90,000
	- Tax Audit Fees	40,000	35,000
	- For Other Services	33,750	23,400
	Legal and Professional Consultancy Fees	55,542	1,31,618
	GST Expense	2,012	486
	Retainership Expense	8,80,000	75,000
	Bank Charges	25,177	30,598
	Printing and Stationery Expenses	71,800	46,570
	Website Expense	12,956	9,068
	Vehicle Repairs and Maintenance	14,400	18,979
	Vehicle Expenses (Petrol and Diesel)	73,360	1,39,693
	Miscellaneous Expenses	8,03,080	5,13,183
Total		7,42,37,473	5,53,96,439



Race Polymer Arts LLP

Notes to Financial Statements for the year ended 31st March, 2023

Note - 31. CURRENT TAX

(Amt. in Rs.)

Sr. No.	Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
1	Current Tax	1,24,16,094	1,49,17,551
	Total	1,24,16,094	1,49,17,551



Race Polymer Arts LLP

Notes to Financial Statements for the year ended 31st March, 2023

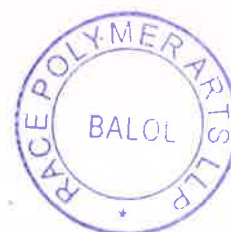
Note - 32. RELATED PARTY DISCLOSURES

32.1 Details of Related Parties

Description of relationship:		Name of related parties
Sr. No	Description of relationship	
1	Designated Partner	Shri P.C.Surana (Ceased as on 15.03.2023) Nominee of Cera Sanitaryware Ltd.
2	Designated Partner	Shri Siddharth Patel (w.e.f. 15.03.2023) Nominee of Cera Sanitaryware Ltd.
3	Enterprise in which KMP/ Relatives of KMP can exercise significant Influence	Mr. Ashish Sharadkumar Nemani Nominee of Shreeyam Ceramics LLP (Formerly known as Nemani Mould Plast LLP)
		i. Packcart Packaging LLP
		ii. Goodluck Carriers LLP
		iii. Golf Ceramics Ltd.
		iv. Mandav Paper Packaging LLP

32.2 Details of related party transactions during the year ended and balances outstanding are as follows:

Sr. No.	Transactions during the year ended	As at	
		31st March, 2023	31st March, 2022
1	Sales of Goods		
	Cera Sanitaryware Ltd (Parent Company)	39,01,00,663	34,95,74,689
	Golf Ceramics Ltd.	7,13,37,252	3,74,54,056
	Total	46,14,37,915	38,70,28,745
2	Purchase		
	Cera Sanitaryware Ltd (Parent Company)	-	19,604
	Golf Ceramics Ltd.	4,77,500	17,034
	Packcart Packaging LLP	3,42,14,504	3,29,22,902
	Mandav Paper Packaging LLP	69,98,759	32,40,416
	Total	4,16,90,763	3,61,99,956
3	Other Services		
	Goodluck Carriers LLP	94,200	32,500
	Total	94,200	32,500
4	Contribution Received/ Advances Contribution transferred		
	Cera Sanitaryware Ltd. (Nominee Shri Siddharth Patel is a Designated Partner w.e.f. 15.03.2023)	62,44,900	78,06,120
	Shreeyam Ceramics LLP (Formerly known as Nemani Mould Plast LLP) (Nominee Shri Ashish Sharadkumar Nemani is a Designated Partner)	60,00,000	75,00,000
	Total	1,22,44,900	1,53,06,120
Sr. No.	Balance Outstanding	As at	
		31st March, 2023	31st March, 2022
1	Trade Receivables		
	Cera Sanitaryware Ltd (Parent Company)	4,74,03,267	6,07,32,713
	Golf Ceramics Ltd.	83,12,790	49,83,371
	Total	5,57,16,057	6,57,16,084
2	Trade Payables		
	Packcart Packaging LLP	36,48,890	48,86,596
	Goodluck Carriers LLP	6,860	12,446
	Mandav Paper Packaging LLP	2,89,345	9,81,996
	Total	39,45,095	58,81,038
3	Contributions from Partners:		
	Cera Sanitaryware Ltd. (Nominee Shri Siddharth Patel is a Designated Partner w.e.f. 15.03.2023)	5,10,00,000	4,47,55,100
	Shreeyam Ceramics LLP (Formerly known as Nemani Mould Plast LLP) (Nominee Shri Ashish Sharadkumar Nemani is a Designated Partner)	4,90,00,000	4,30,00,000
	Total	10,00,00,000	8,77,55,100
4	Other Financial Liabilities - Non Current		
	Advance contribution		
	Cera Sanitaryware Ltd (Parent Company) (Nominee Shri Siddharth Patel is a Designated Partner w.e.f. 15.03.2023)	-	62,44,900
	Total	-	62,44,900



Race Polymer Arts LLP

Notes to Financial Statements for the year ended 31st March, 2023

Note-33.

Disclosure of Movement in Provisions during the period as per AS - 29,
Provisions, Contingent Liabilities and Contingent Assets :

Particulars	(Amt. in Rs.)			
	Balance as on 01-04-2022	Provided during the year	Paid/Adjusted During the year	Balance as on 31-03-2023
Non-current provisions				
Accumulated leaves	67,796	65,571	-	1,33,367
Gratuity	1,16,073	78,337	-	1,94,410
Total	1,83,869	1,43,908	-	3,27,777
Current provisions				
Accumulated leaves	23,369	30,332	20,838	32,863
Bonus / Exgratia	1,19,821	1,52,952	1,48,561	1,24,212
Gratuity	34,914	10,492	-	45,406
Total	1,78,104	1,93,776	1,69,399	2,02,481
Grand Total	3,61,973	3,37,684	1,69,399	5,30,258

Note-34. DUES OF MICRO ENTERPRISES AND SMALL ENTERPRISES

The dues of Micro Enterprises and Small Enterprises as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent information available with the LLP is given below:

Particulars	31st March, 2023	31st March, 2022
a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro enterprises and small enterprises	86,52,249	96,09,896
Interest due on above		
b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year		-
c) "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".		-
d) The amount of interest accrued and remaining unpaid at the end of each accounting year.		-
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.		-

Note-35. COMMITMENTS AND CONTINGENCIES

Particulars	31st March, 2023	31st March, 2022
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)	1,06,46,195	1,67,62,500



Note-36. Employee benefit plans**Defined Contribution Plans**

The LLP makes Provident Fund contributions to defined contribution plan for qualifying employees under the Scheme, the LLP is required to contribute a specified percentage of the payroll costs to fund the benefits.

The LLP has recognized the following amounts in the Statement of Profit and Loss towards its contribution to provident fund and other funds:

Particulars	(Amt. in Rs.)	
	Year ended 31st March, 2023	Year ended 31st March, 2022
Contribution to Provident fund included under contribution to provident and other funds	2,46,858	2,08,455

Defined Benefit Plans

The LLP offers the Gratuity benefits and Privilege Leave benefits (included as part of 'Employee benefit Expense' in Note 28) to its employees. The following table sets out the status of the Gratuity, Privilege Leave and the amount recognised in the Statement of assets and liabilities:

Particulars	Year ended 31st March, 2023			Year ended 31st March, 2022		
	Privilege Leave	Gratuity	Total	Privilege Leave	Gratuity	Total
Component of employer expense						
Current Service Cost	65,519	73,189	1,38,708	38,872	54,870	93,742
Interest Cost	6,609	10,947	17,556	5,218	4,830	10,048
Actuarial losses/(gains)	23,775	4,693	28,468	47,032	24,665	71,697
Total expense/(credit) recognised in the Statement of Profit and Loss	95,903	88,829	1,84,732	91,122	84,365	1,75,487
Actual contribution and define payments						
Present value of defined benefit obligation (DBO)	(1,66,230)	(2,39,816)	(4,06,046)	(91,165)	(1,50,987)	(2,42,152)
Net asset/(liability) recognised in balance sheet	(1,66,230)	(2,39,816)	(4,06,046)	(91,165)	(1,50,987)	(2,42,152)
Current	(32,863)	(45,406)	(78,269)	(23,369)	(34,914)	(58,283)
Non-Current	(1,33,367)	(1,94,410)	(3,27,777)	(67,796)	(1,16,073)	(1,83,869)
Total Asset/(liability) recognised in balance sheet	(1,66,230)	(2,39,816)	(4,06,046)	(91,165)	(1,50,987)	(2,42,152)
Change in defined benefit obligations						
Present value of DBO at beginning of period	91,165	1,50,987	2,42,152	71,968	66,622	1,38,590
Current Service Cost	65,519	73,189	1,38,708	38,872	54,870	93,742
Interest Cost	6,609	10,947	17,556	5,218	4,830	10,048
Actuarial losses/(gains)	23,775	4,693	28,468	47,032	24,665	71,697
Benefits Paid	(20,838)	-	(20,838)	(71,925)	-	(71,925)
Present value of DBO at the end of the period	1,66,230	2,39,816	4,06,046	91,165	1,50,987	2,42,152
Actuarial Assumption						
Discount rate	7.50%	7.50%	7.50%	7.25%	7.25%	7.25%
Expected return on plan assets	NA	NA	NA	NA	NA	NA
Salary escalation	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Retirement Age	60 Years	60 Years	60 Years	60 Years	60 Years	60 Years
Mortality	IALM 2012-14	IALM 2012-14	IALM 2012-14	IALM 2012-14	IALM 2012-14	IALM 2012-14

Actuarial valuation experience adjustment

Particulars	Year ended 31st March, 2023			Year ended 31st March, 2022		
	Privilege Leave	Gratuity	Total	Privilege Leave	Gratuity	Total
Component of employer expense						
Defined Benefit Obligation	(1,66,230)	(2,39,816)	(4,06,046)	(91,165)	(1,50,987)	(2,42,152)
Surplus/(Deficit)	(1,66,230)	(2,39,816)	(4,06,046)	(91,165)	(1,50,987)	(2,42,152)
Experience adjustment on plan liabilities						

Note:

The discount rate is based on the prevailing market yields of Bonds of Government of India securities as at the Statement of assets and liabilities date for the estimated term of the obligations. The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

Note-37. Segment Information

The LLP's Operations comprises of only one segment viz, manufacturing of plastic products and / or other products related to the business activities of seat-cover, cistern, fitting etc. and as such is the only reportable segment under AS-17. The LLP's Operations are in India and therefore there are no secondary geographical segments.



Note-38.

The manufacturing plant of the LLP commenced commercial production on and from 30th April, 2019.

Note-39.

In the opinion of the Management, current assets have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated except where indicated otherwise.

Note-40.

Previous period figures have been regrouped / re-classified / re-arranged wherever necessary to confirm to the current year's figures.

As per our report of even date attached.
For N.M. NAGRI & CO.
Chartered Accountants
(Firm Regn.No.: 106792W)



[N.M. NAGRI]
Proprietor
Membership No. 016992

PLACE : Ahmedabad
DATE : 29th April, 2023



For and on behalf of Race Polymer Arts LLP,



Mr. Ashish Sharadkumar Nemani
Nominee of
SHREEYAM CERAMICS LLP
(Formerly known as
Nemani Mould Plast LLP)
DIN: 1269707

PLACE : Ahmedabad
DATE : 29th April, 2023



Mr. Siddharth Patel
Nominee of
CERA SANITRYWARE LTD.
DIN: 09828300

