

IND AS

RACE POLYMER ARTS LLP

**ANNUAL REPORT
F.Y. 2023-24**

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

To
The Designated Partners of
Race Polymer Arts LLP
Village – Mitha Gamanpura, Palaj Road,
Mehsana – Bhecharaji Highway,
Dist. Mehsana,
Gujarat

Dear Sirs,

We have reviewed the Financial Statements (the Statements) of FY 2023-24 in respect of **Race Polymer Arts LLP** (the LLP), prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards (Ind AS), (as applicable) more particularly, Ind AS 110 for the purpose of Consolidated Financial Statements by the parent Company Cera Sanitaryware Limited. These Statements are the responsibility of the LLP's Management, which have been approved by the Designated Partners of the LLP on 27th April, 2024.

Our review consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing. We have not performed an audit of these Statements and accordingly we do not express audit opinion.



For N. M. NAGRI & CO.
CHARTERED ACCOUNTANTS

[N. M. NAGRI]
PROPRIETOR

Place: Ahmedabad
Date: 27th April, 2024

Race Polymer Arts LLP

Balance Sheet as at 31st March, 2024

(Amt in Rs.)

Particulars	Note No.	As at 31st March, 2024			As at 31st March, 2023		
		As per IGAAP	Ind As Effect	As per Ind As	As per IGAAP	Ind As Effect	As per Ind As
ASSETS							
(1) Non- Current Assets							
(a) Property, Plant and Equipment	4	17,13,56,491	-	17,13,56,491	17,46,49,532	-	17,46,49,532
(b) Capital Work-in-Progress	4	-	-	-	-	-	-
(c) Financial Assets							
(i) Other Financial Assets	5	16,38,587	-	16,38,587	16,38,587	-	16,38,587
(d) Other Non-Current Assets	6	-	-	-	15,97,636	-	15,97,636
(2) Current Assets							
(a) Inventories	7	4,27,27,739	-	4,27,27,739	5,24,26,471	-	5,24,26,471
(b) Financial Assets							
(i) Trade Receivables	8	6,11,57,994	-	6,11,57,994	5,57,20,854	-	5,57,20,854
(ii) Cash and Cash Equivalents	9	2,39,04,486	-	2,39,04,486	90,536	-	90,536
(iii) Other Financial Assets	10	82,31,235	-	82,31,235	1,13,01,971	-	1,13,01,971
(c) Other Current Assets	11	50,46,664	-	50,46,664	8,27,816	-	8,27,816
Total Assets		31,40,63,196	-	31,40,63,196	29,82,53,403	-	29,82,53,403
CONTRIBUTIONS AND LIABILITIES							
PARTNERS' FUNDS							
(a) Contributions	12A & B	16,98,78,649	1,129	16,98,79,778	12,87,86,888	3,053	12,87,89,941
(b) Other Equity	13	6,17,49,988	(1,129)	6,17,48,859	6,17,49,988	(3,053)	6,17,46,935
LIABILITIES							
(1) Non-Current Liabilities							
(a) Financial Liabilities							
(i) Borrowings	14	2,58,30,610	-	2,58,30,610	4,16,79,610	-	4,16,79,610
(b) Deferred Tax Liabilities (Net)	15	1,66,85,480	-	1,66,85,480	1,42,68,306	-	1,42,68,306
(c) Long-term Provisions	16	3,74,341	-	3,74,341	3,27,777	-	3,27,777
(2) Current Liabilities							
(a) Financial Liabilities							
(i) Borrowing	17	1,58,49,000	-	1,58,49,000	2,83,96,511	-	2,83,96,511
(ii) Trade Payables	18						
-total outstanding dues of micro enterprises and small enterprises		52,34,661	-	52,34,661	66,52,249	-	66,52,249
-total outstanding dues of creditors other than micro enterprises and small enterprises		77,72,580	-	77,72,580	1,07,22,326	-	1,07,22,326
(iii) Other Financial Liabilities	19	63,54,410	-	63,54,410	53,07,650	-	53,07,650
(b) Other Current Liabilities	20	27,88,999	-	27,88,999	1,59,617	-	1,59,617
(c) Short-term Provisions	21	2,48,634	-	2,48,634	2,02,481	-	2,02,481
(d) Current Tax Liabilities (Net)	22	12,95,844	-	12,95,844	-	-	-
Total Contribution and Liabilities		31,40,63,196	-	31,40,63,196	29,82,53,403	-	29,82,53,403

The accompanying Notes 1 to 39 are integral part of these Financial Statements.

For and on behalf of Race Polymer Arts LLP,



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

PLACE : Ahmedabad
DATE : 27th April, 2024



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

Race Polymer Arts LLP

Statement of Profit and Loss for the year ended 31st March, 2024

(Amt in Rs.)

Sr. No.	Particulars	Note No.	Year ended 31st March, 2024			Year ended 31st March, 2023		
			As per IGAAP	Ind As Effect	As per Ind As	As per IGAAP	Ind As Effect	As per Ind As
I	Revenue from Operations	23	42,23,16,871	-	42,23,16,871	46,28,02,801	-	46,28,02,801
II	Other Income	24	67,06,237	-	67,06,237	72,511	-	72,511
III	Total Income		42,90,23,108	-	42,90,23,108	46,28,75,312	-	46,28,75,312
IV	Expenses							
	Cost of Materials Consumed	25	24,99,29,021	-	24,99,29,021	30,69,88,556	-	30,69,88,556
	Changes in Inventories of Finished goods and Work-in- Progress	26	1,02,93,239	-	1,02,93,239	(68,55,561)	-	(68,55,561)
	Employee Benefits Expense	27	2,12,67,377	2,958	2,12,70,335	2,06,74,829	(4,693)	2,06,70,136
	Finance Costs	28	47,46,022	-	47,46,022	57,35,702	-	57,35,702
	Depreciation and Amortisation Expense	4	1,79,62,138	-	1,79,62,138	1,78,49,232	-	1,78,49,232
	Other Expenses	29	6,14,41,259	-	6,14,41,259	7,42,37,473	-	7,42,37,473
	Total Expenses		36,56,39,056	2,958	36,56,42,014	41,86,30,231	(4,693)	41,86,25,538
V	Profit / (Loss) before Tax		6,33,84,052	(2,958)	6,33,81,094	4,42,45,081	4,693	4,42,49,774
VI	Tax Expense :							
	(1) Current Tax	30	1,98,72,687	-	1,98,72,687	1,24,16,094	-	1,24,16,094
	(2) Tax for earlier years		2,430	-	2,430	-	-	-
	(3) Deferred Tax	17	24,17,174	(1,034)	24,16,140	30,42,099	1,640	30,43,739
VII	Profit / (Loss) for the year		4,10,91,761	(1,924)	4,10,89,837	2,87,86,888	3,053	2,87,89,941
VIII	Other Comprehensive Income							
	(i) Items that will not be reclassified to profit or loss		-	-	-	-	-	-
	Remeasurements of the defined benefit plan		-	2,958	2,958	-	(4,693)	(4,693)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	(1,034)	(1,034)	-	1,640	1,640
	Total Other Comprehensive Income for the year (Net of Tax)		-	1,924	1,924	-	(3,053)	(3,053)
IX	Total Comprehensive Income for the year (Comprising Profit / (Loss) and Other Comprehensive Income for the year)		4,10,91,761	-	4,10,91,761	2,87,86,888	-	2,87,86,888

The accompanying Notes 1 to 39 are integral part of these Financial Statements.

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 DIN: 09828300

PLACE : Ahmedabad
DATE : 27th April, 2024

Race Polymer Arts LLP

Cash Flow Statement for the year ended 31st March, 2024

Sr. No.	Particulars	(Amt in Rs.)	
		Year ended 31st March, 2024	Year ended 31st March, 2023
A.	Cash Flow from Operating Activities		
	Net Profit Before Tax	6,33,81,094	4,42,49,774
	Adjusted for:		
	Depreciation	1,79,62,138	1,78,49,232
	Finance Cost	47,46,022	57,35,702
	Interest Subsidy Receivable	-	-
	Profit on Sale of Fixed Asset	(2,84,195)	-
	Provision for Gratuity	99,009	88,830
	Petty Balance Written off	(319)	-
	Interest Income	(69,640)	(58,761)
	Items pertaining to previous year, unspent liabilities and provisions no longer required written back (net)	(63,702)	(13,750)
	Sub Total	2,23,89,313	2,36,01,253
	Operating Profit before Working Capital Change	8,57,70,407	6,78,51,027
	Adjustment for Change in Working Capital		
	(Increase)/Decrease in Inventories	96,98,732	(54,98,224)
	(Increase)/Decrease in Trade Receivables	(54,37,140)	1,00,87,130
	(Increase)/Decrease in Other Financial Assets	31,33,412	(12,84,325)
	(Increase)/Decrease in Other Assets	(42,18,848)	14,71,289
	Increase/(Decrease) in Trade Payable	(43,67,334)	(52,76,418)
	Increase/(Decrease) in Other Financial Liabilities	11,10,462	26,77,271
	Increase/(Decrease) in Provisions	(3,334)	77,632
	Increase/(Decrease) in Other Current Liabilities	26,36,665	(20,66,403)
	Sub Total	25,52,615	1,87,952
	Cash Generation from Operations	8,83,23,022	6,80,38,979
	Less: Direct Taxes Paid	1,85,79,273	1,69,70,770
	Net Cash from Operating Activities (Total A)	6,97,43,749	5,10,68,209
B	Cash Flow From Investing Activities		
	Payment for purchase of Property, Plant and Equipments	(1,33,97,266)	(4,65,73,419)
	Proceeds from sale of Property, Plant and Equipments	6,10,000	-
	Net Cash Used in Investing Activities (Total B)	(1,27,87,266)	(4,65,73,419)
C	Cash Flow from Financing Activities		
	Proceed from Partners Contributions	-	1,22,44,900
	Payments for Long Term Borrowing	(1,43,83,620)	(1,40,10,956)
	Proceeds/(Payments) from Short Term Borrowing	(1,40,12,891)	93,02,361
	Advance Contribution from CERA Sanitaryware Ltd.	-	(62,44,900)
	Finance Cost	(47,46,022)	(57,35,702)
	Net Cash Used in Financing Activities (Total C)	(3,31,42,533)	(44,44,297)
	Changes in Cash & cash equivalents (A+B+C)	2,38,13,950	50,494
	Opening Balance Cash and Cash Equivalents	90,536	40,042
	Closing Balance Cash and Cash Equivalents	2,39,04,486	90,536

- Notes to Cash Flow Statement**
- Components of cash and cash equivalents

Balances with banks	2,38,76,765	-
Cash on hand	27,721	90,536
Cash and cash equivalents considered in Cash Flow Statement	2,39,04,486	90,536
 - The above Cash Flow Statement has been prepared using the 'Indirect Method' as set out in Indian Accounting Standard - 7 "Statement of Cash Flows".
 - The accompanying Notes 1 to 39 are integral part of these Financial Statements.
 - Reconciliation of liabilities arising from financing activities:

Particulars	Outstanding as at 1st April, 2023	Cash Flow changes		Outstanding as at 31st March, 2024
		Receipts	Payments	
Term Loan from HDFC Bank	5,60,63,230	-	(1,43,83,620)	4,16,79,610
Cash Credit from HDFC Bank	1,40,12,891	-	(1,40,12,891)	-
Total liabilities arising from financing activities:	7,00,76,121	-	(2,83,96,511)	4,16,79,610

For and on behalf of Race Polymer Arts LLP,


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 DIN: 01269707


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

PLACE : Ahmedabad
 DATE : 27th April, 2024

RACE POLYMER ARTS LLP

Material Accounting Policies & Practices

(Annexed to and forming part of Financial Statements for the year ended 31st March 2024)

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 of 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) The 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 profit/loss sharing ratio. 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 by Cera Sanitaryware Limited in the LLP w e f 09th 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.

Subsequently, 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 Accounting and Preparation of Financial Statements:

2.1 Statement of Compliance with Ind AS:

The LLP w.e.f. 09th May 2018 has become the partially owned subsidiary of Cera Sanitaryware Ltd., whose financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 and the subsequent amendments from time to time, notified under Section 133 of the Companies Act, 2013 (the "Act") and other relevant provisions of the Act.

As per paragraph 19 of the Ind AS – 110 "Consolidated Financial Statements" a parent shall prepare consolidated financial statements using uniform accounting policies for like transactions and other events in similar circumstances. Accordingly, these standalone financial statements of the LLP have been prepared in accordance with Ind AS, as applicable to its parent.

2.2 Use of Estimates:

The preparation of financial statements requires management to make judgements, 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. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ from those estimates. Any revision to accounting estimates is recognized in accordance with the requirements of the respective accounting standards.

2.3 Basis of Measurement:

These financial statements have been prepared on accrual basis of accounting, on a going concern, under the historical cost convention except where certain financial assets and liabilities have been measured at fair value as under:

Items	Measurement Basis
Employee Defined Benefit Plans	Plan Assets measured at fair value less present value of defined benefit obligation
Certain Financial Assets and Liabilities	Fair Value

3) Material Accounting Policies:

3.1 Property, Plant and Equipment

[a] Tangible Assets

[i] Recognition and Measurement

Items of property, plant and equipment are measured at cost, which include capitalised borrowing costs, less accumulated depreciation, and accumulated impairment losses, if any, except freehold land which is carried at historical cost.

Cost of an item of property, plant and equipment comprises its purchase price (after deducting trade discounts and rebates), including import duties and non-refundable purchase taxes, any directly attributable cost (indirect cost excluded) of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss following the principles of Ind AS 115 "Revenue from Contracts with Customers".

[ii] Subsequent Expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the LLP.

[iii] Derecognition

An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of assets.

[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.

[c] Impairment of Non-Financial Assets

The LLP's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss.

In respect of assets for which impairment loss has been recognised in prior periods, the LLP reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.2 Borrowing Costs

Borrowing costs include 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.
- * Current-assets/liabilities include the current portion of the non-current financial assets/liabilities.

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 after adjusting for GST wherever applicable. 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 variable 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 events 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 from Contracts with Customers

As per Ind AS – 115 “Revenue from Contracts with Customers”, the LLP recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the LLP expects to be entitled in exchange for those goods or services. Further, the LLP evaluates the performance obligations being distinct to enable separate recognition and can impact timing of recognition of certain elements of multiple element arrangements.

Revenue from Sale of Goods

The LLP's revenue is derived from selling goods with revenue recognised at a point in time when control of the goods is transferred to the customer and retains none of the significant risks and rewards of the goods in question.

The LLP recognises revenue from the sale of goods measured at the fair value of the consideration received or receivable, net of returns and allowances and trade discounts.

No amount of the transaction price allocated to the performance obligations are unsatisfied as of the end of the reporting period.

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

For Defined Benefit Plans in the form of gratuity, the cost of providing benefits is determined using the 'Projected Unit Credit Method, with actuarial valuations being carried out at each Balance Sheet date. Remeasurements, comprising of actuarial gains and losses are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods. So the retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost.

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 income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred tax liabilities are generally recognised in full.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the Balance Sheet date. Tax relating to items recognised directly in equity/ other comprehensive income is recognised in respective head and not in the Statement of Profit & Loss.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

3.12 Government Grants

Government Grants are initially recognised as deferred income at fair value if there is reasonable assurance that they will be received, and the LLP will comply with the conditions associated with the grant;

- In case of capital grants, they are then recognised in Statement of Profit and Loss on a systematic basis over the useful life of assets.
- In case of grants that compensate the LLP for expenses incurred are recognised in Statement of Profit and Loss on a systematic basis in the periods in which the expenses are recognized.

3.13 Financial Instruments

I. Financial Assets

(a) Initial Recognition and Measurement

All financial assets are recognised initially at fair value plus, in case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset, which are not at fair value through profit and loss, are added to fair value on initial recognition. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Statement of Profit and Loss.

(b) Subsequent Measurement

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through Other Comprehensive Income (FVOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) Financial assets at fair value through Profit or Loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through Statement of Profit and Loss.

(c) Impairment of Financial Assets

The LLP assesses on a forward looking basis the Expected Credit Losses (ECL) associated with its assets measured at amortised cost and assets measured at fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(d) Derecognition of Financial Assets

A financial asset is derecognised when:

*The LLP has transferred the right to receive cash flows from the financial assets or

*Retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity transfers the financial asset, it evaluates the extent to which it retains the risk and rewards of the ownership of the financial assets. If the entity transfers substantially all the risks and rewards of ownership of the financial asset, the entity shall derecognise the financial asset and recognise separately as assets or liabilities any rights and obligations created or retained in the transfer. If the entity retains substantially all the risks and rewards of ownership of the financial asset, the entity shall continue to recognise the financial asset.

Where the LLP has neither transferred a financial asset nor retains substantially all risks and rewards of the ownership of the financial asset, the financial asset is derecognised if the LLP has not retained control of the financial assets. Where the LLP retains control of the financial assets, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

II. Financial Liabilities

(a) Initial Recognition and Subsequent Measurement

All financial liabilities are recognised initially at fair value and in case of borrowings and payables, net of directly attributable cost.

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments. Changes in the amortised value of liability are recorded as finance cost.

III. Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Race Polymer Arts LLP

Notes to Financial Statements as at 31st March, 2024

Note -4. PROPERTY, PLANT, EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

(a) Property, Plant and Equipment

(Amt in Rs.)

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 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
	Addition/ Transfers	-	-	85,31,715	-	63,83,223	-	-	-	79,964	-	1,49,94,902
	Disposal / Adjustments	-	-	-	-	6,10,000	-	-	-	-	-	6,10,000
	As at 31st March, 2024	1,38,02,441	6,33,93,869	10,51,54,166	1,01,46,714	4,90,48,977	1,24,438	3,31,974	53,829	1,87,290	6,12,000	24,28,55,698
2	Depreciation / Amortisation											
	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
	Charge for the year	-	45,46,221	37,65,038	9,66,578	85,71,809	11,854	30,630	-	21,133	48,875	1,79,62,138
	Disposal / Adjustments	-	-	-	-	2,84,195	-	-	-	-	-	2,84,195
	As at 31st March, 2024	-	2,02,15,867	1,26,41,300	44,31,425	3,32,37,204	51,411	2,44,611	52,124	1,20,464	5,04,801	7,14,99,207
3	Net Block											
	As at 31st March, 2023	1,38,02,441	4,77,24,223	8,77,46,189	66,81,867	1,83,26,164	84,881	1,17,993	1,705	7,995	1,56,074	17,46,49,532
	As at 31st March, 2024	1,38,02,441	4,31,78,002	9,25,12,866	57,15,289	1,58,11,773	73,027	87,363	1,705	66,826	1,07,199	17,13,56,491
(b)	Capital work-in-progress											
	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	-	-	-	-	-	-	-	-	-	-	-
	Addition for the year	-	-	-	-	-	-	-	-	-	-	-
	Transfer to Fixed Assets/Adjustment	-	-	-	-	-	-	-	-	-	-	-
	As at 31st March, 2024	-	-	-	-	-	-	-	-	-	-	-

Notes:

- Factory Land & Building at Survey no. 949 and 77 Mauje Gamanpura & Mitha, Village - Balol, Mehsana- 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.NIL as on 31st March, 2024 and Rs.1,06,46,195/- as on 31st March, 2023.

Race Polymer Arts LLP

Notes to Financial Statements as at 31st March, 2024

Note - 5. OTHER FINANCIAL ASSETS: NON - CURRENT

(Amt in Rs.)

Sr.No.	Particulars	As at 31st March, 2024	As at 31st March, 2023
	Security Deposits (UGVCL) - Unsecured, Considered Good	16,38,587	16,38,587
	Total	16,38,587	16,38,587

Note-6. OTHER NON-CURRENT ASSETS

Sr. No.	Particulars	As at 31st March, 2024	As at 31st March, 2023
	Capital Advances	-	15,97,636
	Total	-	15,97,636

Note - 7. INVENTORIES

Sr. No.	Particulars	As at 31st March, 2024	As at 31st March, 2023
	As taken, valued & certified by the Management At Lower of Cost and Net Realisable Value		
1	Raw Materials	1,44,91,985	1,32,83,496
2	Work-in-Progress	52,91,561	70,85,077
3	Finished Goods	1,81,79,219	2,66,78,942
4	Stores and Spares	47,64,974	53,78,956
	Total	4,27,27,739	5,24,26,471

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

Note-8. TRADE RECEIVABLES - CURRENT

Sr.No.	Particulars	As at 31st March, 2024	As at 31st March, 2023
1	Trade Receivables considered good - Secured	-	-
2	Trade Receivables considered good - Unsecured *	6,11,57,994	5,57,20,854
3	Trade Receivables which have significant increase in credit risk	-	-
4	Trade Receivables - credit impaired	-	-
	Sub total	6,11,57,994	5,57,20,854
	Less: Allowance for Expected Credit Losses	-	-
	Total	6,11,57,994	5,57,20,854

8.1 *Debts due by Cera Sanitaryware Ltd. Rs. 4,85,77,455/- (31.03.2023: Rs. 4,74,03,267/-)

The LLP is subsidiary of Cera Sanitaryware Ltd.

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

8.3 Refer to Note No. 31 for dues from Related Parties.

8.4 Ageing for Trade Receivables - Current as at 31st March, 2024 is as follows:

		(Amt in Rs.)				
Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 6 months	6 months-1 year	1-2 year	2-3 years	More than 3 years
(i) Undisputed Trade receivables - considered good	5,82,08,504	29,49,490	-	-	-	-
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Total	5,82,08,504	29,49,490	-	-	-	6,11,57,994

Ageing for Trade Receivables - Current as at 31st March, 2023 is as follows:

		(Amt in Rs.)				
Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 6 months	6 months-1year	1-2 year	2-3 years	More than 3 years
(i) Undisputed Trade receivables - considered good	5,28,31,580	11,39,252	17,50,022	-	-	-
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
Total	5,28,31,580	11,39,252	17,50,022	-	-	5,57,20,854

(v)	Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi)	Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Total		5,28,31,580	11,39,252	17,50,022	-	-	-	5,57,20,854

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Notes to Financial Statements as at 31st March, 2024

Note - 9. CASH & CASH EQUIVALENTS

(Amt in Rs.)

Sr. No.	Particulars	As at 31st March, 2024	As at 31st March, 2023
1	Balances with banks in current accounts	2,38,76,765	-
2	Cash on hand	27,721	90,536
	Total	2,39,04,486	90,536

Note - 10. OTHER FINANCIAL ASSETS: CURRENT

Sr. No.	Particulars	As at 31st March, 2024	As at 31st March, 2023
1	Interest receivable on Security Deposits	62,676	62,676
2	Advance tax and TDS Receivable (Net of current tax Rs. 1,98,72,687/- PY Rs. 1,24,16,094/-) Refer Note No. 22	-	13,59,863
3	Government Grant Receivable (Interest Subsidy)	81,68,559	98,79,432
	Total	82,31,235	1,13,01,971

Note - 11. OTHER CURRENT ASSETS

Sr. No.	Particulars	As at 31st March, 2024	As at 31st March, 2023
	Advances other than Capital Advances		
	(i) Prepaid Expenses	99,609	97,612
	(ii) Balances with Tax Authorities (GST)	-	7,30,204
	(iii) Other Advances	49,47,055	-
	Total	50,46,664	8,27,816

Note - 12A. CONTRIBUTIONS

Sr. No.	Particulars	As at 31st March, 2024	As at 31st March, 2023
	Contributions from Partners:		
1	Cera Sanitaryware Ltd. (Nominee Shri Siddharth Patel is a Designated Partner) (Share in Profit / Loss 51%)		
	Opening Balance	5,10,00,000	4,47,55,100
	Additions During the year	-	62,44,900
	Total	5,10,00,000	5,10,00,000
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	4,90,00,000	4,30,00,000
	Additions During the year	-	60,00,000
	Total	4,90,00,000	4,90,00,000
	Total 12A	10,00,00,000	10,00,00,000

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Notes to Financial Statements as at 31st March, 2024

Note - 12B. CONTRIBUTIONS-CURRENT

(Amt in Rs.)

Sr. No.	Particulars	As at 31st March, 2024	As at 31st March, 2023
	Contributions from Partners:		
1	Cera Sanitaryware Ltd. (Nominee Shri Siddharth Patel is a Designated Partner) (Share in Profit / Loss 51%)		
	Opening Balance	1,46,82,870	-
	Additions : Transfer of Profit for the year	2,09,55,817	1,46,82,870
	Distribution of Profit	-	-
	Total	3,56,38,687	1,46,82,870
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	1,41,07,071	-
	Additions : Transfer of Profit for the year	2,01,34,020	1,41,07,071
	Distribution of Profit	-	-
	Total	3,42,41,091	1,41,07,071
	Total 12B	6,98,79,778	2,87,89,941
	Total 12A + 12B	16,98,79,778	12,87,89,941

Note - 13. OTHER EQUITY

Sr. No.	Particulars	As at 31st March, 2024	As at 31st March, 2023
1	Retained Earnings		
	Opening Balance	6,17,96,631	6,17,96,631
	Profit / (Loss) for the year	4,10,89,837	2,87,89,941
	Less : Profit/loss distributed among partners	(4,10,89,837)	(2,87,89,941)
		6,17,96,631	6,17,96,631
2	Other Comprehensive Income		
	(a) Remeasurements of Defined Benefit Plans		
	Balance as per last financial year	(49,696)	(46,643)
	Adjustments during the year		
	Add: Actuarial Loss on remeasurement of defined benefit plans	2,958	(4,693)
	Less: Deferred Tax on Remeasurement of Defined Benefit Plans	(1,034)	1,640
		(47,772)	(49,696)
	Total	6,17,48,859	6,17,46,935

Race Polymer Arts LLP

Notes to Financial Statements as at 31st March, 2024

Note - 14. BORROWINGS: NON - CURRENT

(Amt in Rs.)

Sr.No.	Particulars	As at 31st March, 2024	As at 31st March, 2023
	Long Term Borrowings		
	Term Loans (Secured)		
	From HDFC Bank Ltd.	2,58,30,610	4,16,79,610
	Total	2,58,30,610	4,16,79,610

- 14.1 Term loans are secured by equitable mortgage (EM) of lands at revenue survey no. 949 and 77 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.
- 14.2 Term loans are repayable in 68 equal monthly instalments of Rs. 15.97 Lakhs (Principle and Interest) beginning from February, 2021 to September, 2026.
- 14.3 Rate of Interest April-May, 2022 : 7.15% p.a. , June-September, 2022 : 7.55% p.a., October-December, 2022 : 8.55% p.a. , January-March, 2023 : 9.40% p.a. & April to March 2024 : 9.65 % (Floating Rate).

Race Polymer Arts LLP

Notes to Financial Statements as at 31st March, 2024

Note - 15. DEFERRED TAX LIABILITIES (NET)

(Amt in Rs.)

Sr. No.	Particulars	As at 31st March, 2024	As at 31st March, 2023
1	Deferred Tax Liabilities (Arising on account of timing difference)		
	(a) Assets: Impact of difference between carrying value and tax base of Depreciable assets	1,69,03,172	1,44,53,599
	Total Deferred Tax Liabilities (A)	1,69,03,172	1,44,53,599
2	Deferred Tax Assets (Arising on account of timing difference)		
	(a) Provision for Leave Encashment	51,700	58,087
	(b) Provision for Gratuity	1,17,365	83,801
	(c) Provision for Bonus	48,627	43,405
	Total Deferred Tax Assets (B)	2,17,692	1,85,293
	Total (A - B)	1,66,85,480	1,42,68,306

Reconciliation of Deferred Tax Assets / Liabilities (Net):

Particulars	As at 31st March, 2024	As at 31st March, 2023
Opening Balance	1,42,68,306	1,12,26,207
Tax (Income)/Expense during the period recognised in Profit or Loss	24,16,140	30,43,739
Tax (Income)/Expense during the period recognised in Other Comprehensive Income	1,034	(1,640)
Tax (Income)/Expense during the period recognised directly in Other Equity	-	-
Closing balance	1,66,85,480	1,42,68,306

Movements in DTA:

Particulars	Leave Encashment	Gratuity	Carry forward Loss	Bonus	Unabsorbed Dep.	Total
At 31st March, 2022	31,857	52,761	-	-	-	84,618
(Charged)/Credited:						
to Profit or Loss	26,230	29,400		43,405		99,035
to Other Comprehensive Income	-	1,640				1,640
At 31st March, 2023	58,087	83,801	-	43,405	-	1,85,293
(Charged)/Credited:						
to Profit or Loss	(6,387)	32,744		5,222		31,579
to Other Comprehensive Income	-	820				820
At 31st March, 2024	51,700	1,17,365	-	48,627	-	2,17,692

Movements in DTL:

Particulars	Assets : Impact of difference between Tax Depreciation and Depreciation / amortization charged for the financial reporting
At 31st March, 2022	1,13,10,825
Charged/(Credited):	
to Profit or Loss	31,42,774
to Other Comprehensive Income directly to Equity	
At 31st March, 2023	1,44,53,599
Charged/(Credited):	
to Profit or Loss	24,49,573
to Other Comprehensive Income directly to Equity	
At 31st March, 2024	1,69,03,172

Race Polymer Arts LLP
Notes to Financial Statements as at 31st March, 2024

Note - 16. LONG-TERM PROVISIONS: NON - CURRENT

(Amt in Rs.)

Sr.No.	Particulars	As at	As at
		31st March, 2024	31st March, 2023
	Non-Current Provisions		
	Provision for Employee Benefits		
(a)	Provision for Leave Encashment	1,12,208	1,33,367
(b)	Provision for Gratuity	2,62,133	1,94,410
	Total	3,74,341	3,27,777

Race Polymer Arts LLP

Notes to Financial Statements as at 31st March, 2024

Note - 17. BORROWINGS - CURRENT

(Amt in Rs.)

Sr. No.	Particulars	As at 31st March, 2024	As at 31st March, 2023
	Loans Repayable on Demand (Secured)		
1	Cash Credit from HDFC Bank	-	1,40,12,891
2	Current Maturity of Long Term Borrowings	1,58,49,000	1,43,83,620
	Total	1,58,49,000	2,83,96,511

- Note No. 17.1 All securities mentioned in Note No. 14.1 are also extended for Cash Credit facilities.
- 17.2 Rate of Interest April-May, 2022 : 7.15% p.a. , June-September, 2022 : 7.55% p.a., October-December, 2022 : 8.55% p.a. , January-March, 2023 : 9.40% p.a. & April to March 2024 : 9.65 %(Floating Rate).

Note - 18. TRADE PAYABLES

Sr. No.	Particulars	As at 31st March, 2024	As at 31st March, 2023
1	Dues of Micro Enterprises and Small Enterprises (Refer to Note No. 33)	52,34,661	66,52,249
2	Dues of Creditors Other than Micro Enterprises and Small Enterprises	77,72,580	1,07,22,326
	Total	1,30,07,241	1,73,74,575

18 Ageing for Trade Payables - Current as at 31st March, 2024 is as follows: (Amt in Rs.)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 Year	1-2 year	2-3 years	More than 3 years	
(i) MSME	51,85,563	49,098	-	-	-	52,34,661
(ii) Others	73,46,202	4,26,378	-	-	-	77,72,580
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
Total	1,25,31,765	4,75,476	-	-	-	1,30,07,241

Ageing for Trade Payables - Current as at 31st March, 2023 is as follows:

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 Year	1-2 year	2-3 years	More than 3 years	
(i) MSME	52,57,844	13,94,405	-	-	-	66,52,249
(ii) Others	1,00,28,590	6,93,736	-	-	-	1,07,22,326
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
Total	1,52,86,434	20,88,141	-	-	-	1,73,74,575

Race Polymer Arts LLP

Notes to Financial Statements as at 31st March, 2024

Note - 19. OTHER FINANCIAL LIABILITIES: CURRENT

(Amt in Rs.)

Sr. No.	Particulars	As at 31st March, 2024	As at 31st March, 2023
	Other Current Financial Liabilities		
1	Expenses Payable	33,95,367	51,06,168
2	Employee Related Payable	29,59,043	2,01,482
	Total	63,54,410	53,07,650

Note - 20. OTHER CURRENT LIABILITIES

Sr. No.	Particulars	As at 31st March, 2024	As at 31st March, 2023
	Statutory dues	27,88,999	1,59,617
	Total	27,88,999	1,59,617

Note - 21. SHORT-TERM PROVISIONS: CURRENT

Sr. No.	Particulars	As at 31st March, 2024	As at 31st March, 2023
	Provision for Employee Benefits		
	(a) Provision for Bonus / Exgratia	1,39,158	1,24,212
	(b) Provision for Leave Encashment	35,742	32,863
	(c) Provision for Gratuity	73,734	45,406
	Total	2,48,634	2,02,481

Note - 22. CURRENT TAX LIABILITIES (NET)

Sr. No.	Particulars	As at 31st March, 2024	As at 31st March, 2023
	Provision for Tax (Net)		
	Provision for Current Tax	1,98,72,687	1,24,16,094
	Less : Advance Tax Paid and TDS Receivable	(1,85,76,843)	(1,37,75,957)
	Net Current Tax Liabilities (Refer Note No. 10)	12,95,844	(13,59,863)
	Total	12,95,844	-

Race Polymer Arts LLP

Notes to Financial Statements as at 31st March, 2024

Note - 23. REVENUE FROM OPERATIONS

		(Amt in Rs.)	
Sr. No.	Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
	Revenue from Operations		
(a)	Sale of products (Manufactured)		
	Domestic Sales (includes Sales to Related Parties (Refer Note to No. 31))	42,09,57,030	46,14,40,968
(b)	Other Operating Revenue		
(i)	Scrap Sales	13,59,841	13,61,208
(ii)	Cash Discount	-	625
	Total	42,23,16,871	46,28,02,801

23.1 Disaggregation of Revenue

Disaggregation of revenue into various categories to depict the nature, amount, timing and uncertainty of revenue and cash flows affected by economic data:

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Product Type		
Goods	42,09,57,030	46,14,40,968
Total	42,09,57,030	46,14,40,968
Contract Counterparties		
Business to Business	42,09,57,030	46,14,40,968
Total	42,09,57,030	46,14,40,968
Timing of Transfer of Goods and Services		
Point in time	42,09,57,030	46,14,40,968
Total	42,09,57,030	46,14,40,968

23.2 The impairment loss recognised on receivables arising from the Company's contracts with customers is NIL. (P.Y. NIL)

23.3 No amount of the transaction price allocated to the performance obligations are unsatisfied as at the end of the reporting period.

Note - 24. OTHER INCOME

Sr. No.	Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
(a)	Interest Income		
(i)	On Security Deposit	69,640	58,761
(ii)	On Income Tax Refund	53,832	-
(b)	Other Non Operating Revenue		
(i)	Government Subsidy	61,89,754	-
(ii)	Petty Balance Written Back	319	-
(iii)	Miscellaneous Receipts	44,795	-
(iv)	Items pertaining to previous year, unspent liabilities and provisions no longer required written back (net)	63,702	13,750
(v)	Profit on Sale of Property, Plant and Equipment	2,84,195	-
	Total	67,06,237	72,511

Race Polymer Arts LLP

Notes to Financial Statements as at 31st March, 2024

Note - 25. COST OF MATERIALS CONSUMED

		(Amt in Rs.)	
Sr. No.	Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
	Opening Stock	1,32,83,496	1,52,09,608
Add:	Purchases	25,11,37,510	30,50,62,444
Less:	Closing Stock	1,44,91,985	1,32,83,496
	Total	24,99,29,021	30,69,88,556

Note - 26. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Sr. No.	Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
	Inventories at the end of the year:		
	Work in Progress	52,91,561	70,85,077
	Finished Goods	1,81,79,219	2,66,78,942
		2,34,70,780	3,37,64,019
	Inventories at the beginning 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
	Total	1,02,93,239	(68,55,561)

Note - 27. EMPLOYEE BENEFITS EXPENSE

Sr. No.	Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
1	Salaries and Wages	2,10,10,508	2,02,62,122
2	Contribution to Provident and other Funds	2,50,750	2,42,165
3	Staff Welfare Expenses	9,077	1,65,849
	Total	2,12,70,335	2,06,70,136

Note - 28. FINANCE COSTS

Sr. No.	Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
	Interest Costs		
(a)	On Term Loans	46,68,092	51,90,945
(b)	On Working Capital Loans	76,531	5,47,051
(c)	Interest on Income Tax	1,399	(2,294)
	Total	47,46,022	57,35,702

Race Polymer Arts LLP

Notes to Financial Statements as at 31st March, 2024

Note - 29. OTHER EXPENSES

		(Amt in Rs.)	
Sr. No.	Particulars	Year ended	Year ended
		31st March, 2024	31st March, 2023
	Consumption of Stores and Packing Material		
	Opening Stock	53,78,956	48,10,181
Add:	Purchases	4,50,73,222	6,18,93,495
	sub total	5,04,52,178	6,67,03,676
Less :	Closing Stock	47,64,974	53,78,956
		4,56,87,204	6,13,24,720
	Power and Fuel (Net)	1,01,44,307	98,16,436
	Repairs and Maintenance		
	- To Plant and Machinery	12,24,427	2,16,154
	- To Buildings	11,500	-
	- To Other Assets	13,557	81,420
	Insurance Premium	7,00,310	6,71,216
	Freight Outward, Coolies and Cartages	3,27,660	5,450
	Payments to Auditors		
	- Statutory Audit fees	1,10,000	1,10,000
	- Tax Audit Fees	40,000	40,000
	- For Other Services	61,254	33,750
	Legal and Professional Consultancy Fees	6,66,866	55,542
	GST Expense	21,639	2,012
	Retainership Expense	16,50,000	8,80,000
	Bank Charges	60,061	25,177
	Printing and Stationery Expenses	15,336	71,800
	Website Expense	6,855	12,956
	Vehicle Repairs and Maintenance	-	14,400
	Vehicle Expenses (Petrol and Diesel)	94,371	73,360
	Miscellaneous Expenses	6,05,912	8,03,080
	Total	6,14,41,259	7,42,37,473

Race Polymer Arts LLP

Notes to Financial Statements as at 31st March, 2024

Note - 30. CURRENT TAX

(Amt in Rs.)

Sr.No.	Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
1	Current Tax	1,98,72,687	1,24,16,094
	Total	1,98,72,687	1,24,16,094

Reconciliation of the Income Tax Expense (Current tax + Deferred tax) amount considering the enacted Income Tax Rate and effective Income Tax rate of the LLP is as follows.

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Accounting Profit before Income Tax	6,33,81,094	4,42,49,774
India's Statutory Income Tax Rate @ 34.944% (P.Y @ 34.944%)	2,21,47,890	1,54,62,641
Non-Deductible Expenses for Tax purposes	66,66,033	65,02,736
Deductible Expenses for Tax purposes	(89,39,840)	(95,47,643)
Others	24,17,174	30,42,099
Income Tax expense reported in the Statement of Profit and Loss	2,22,91,257	1,54,59,833

Race Polymer Arts LLP

Notes to Financial Statements as at 31st March, 2024

Note - 31. RELATED PARTY DISCLOSURES

31.1 List of Related Parties

(A) Key Management Personnel:

Sr. No.	Name	Designation
1	Shri Siddharth Patel	Designated Partner (w.e.f. 15.03.2023) Nominee of Cera Sanitaryware Ltd
2	Mr. Ashish Sharadkumar Nemani	Designated Partner Nominee of Shreeyam Ceramics LLP (Formerly known as Nemani Mould Plast LLP)

(B) Other Related Parties:

Sr. No.	Name	Nature of Relationship
1	Packcart Packaging LLP	Significant influence exercised by KMP
2	Goodluck Carriers LLP	Significant influence exercised by KMP
3	Golf Ceramics Ltd.	Significant influence exercised by KMP
4	Mandav Paper Packaging LLP	Significant influence exercised by KMP

31.2 Disclosures of Transactions during the year with KMP, Parent Company and Other Related Parties:

(Amt in Rs.)

Sr. No.	Nature of Transaction	Key Management		Parent Company		Other Related Party	
		Year ended 31st March, 2024	Year ended 31st March, 2023	Year ended 31st March, 2024	Year ended 31st March, 2023	Year ended 31st March, 2024	Year ended 31st March, 2023
1	Purchase of Goods	-	-	-	-	3,44,30,389	4,16,90,763
2	Other Services	-	-	-	-	95,500	94,200
3	Revenue from Operations	-	-	34,08,31,714	39,01,00,663	8,07,74,277	7,13,37,252
4	Capital Contribution received	-	60,00,000	-	62,44,900	-	-
	GRAND TOTAL	-	60,00,000	34,08,31,714	39,63,45,563	11,53,00,166	11,31,22,215

31.3 The details of amounts due to or due from related parties are as follows:

(Amt in Rs.)

Sr. No.	Particulars	As at 31st March, 2024	As at 31st March, 2023
1	Trade Receivables		
	Cera Sanitaryware Ltd (Parent Company)	4,85,77,445	4,74,03,267
	Golf Ceramics Ltd.	1,22,84,987	83,12,790
	Total	6,08,62,432	5,57,16,057
2	Trade Payables		
	Packcart Packaging LLP	35,27,729	36,48,890
	Goodluck Carriers LLP	-	6,860
	Mandav Paper Packaging LLP	4,00,549	2,89,345
	Total	39,28,278	39,45,095
3	Contributions from Partners:		
	Cera Sanitaryware Ltd.		
	(Nominee Shri Siddharth Patel is a Designated Partner)	5,10,00,000	5,10,00,000
	Shreeyam Ceramics LLP (Formerly known as Nemani Mould Plast LLP)		
	(Nominee Shri Ashish Sharadkumar Nemani is a Designated Partr	4,90,00,000	4,90,00,000
	Total	10,00,00,000	10,00,00,000

31.4 Disclosures in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year:

(Amt in Rs.)

Sr. No.	Nature of Transaction	Related Parties	Year ended 31st March, 2024	Year ended 31st March, 2023
1	Revenue from Operations	Cera Sanitaryware Ltd.	34,08,31,714	39,01,00,663
2	Purchase of Goods	Packcart Packaging LLP	2,67,67,182	3,42,14,504

31.5 All transactions during the year with related parties are at arm's length and unsecured. No amount has been recognised as bad or doubtful in respect of transactions with the related parties.

Race Polymer Arts LLP

Notes to Financial Statements as at 31st March, 2024

Note-32.

Disclosure of Movement in Provisions during the period as per Ind AS- 37,
'Provisions, Contingent Liabilities and Contingent Assets :

				(Amt in Rs.)
Particulars	Balance as on 01-04-2023	Provided during the year	Paid/Adjusted During the year	Balance as on 31-03-2024
Non-current provisions				
Accumulated leaves	1,33,367	99,054	1,20,213	1,12,208
Gratuity	1,94,410	67,723	-	2,62,133
Total	3,27,777	1,66,777	1,20,213	3,74,341
Current provisions				
Accumulated leaves	32,863	35,742	32,863	35,742
Bonus / Exgratia	1,24,212	1,46,051	1,31,105	1,39,158
Gratuity	45,406	28,328	-	73,734
Total	2,02,481	2,10,121	1,63,968	2,48,634
Grand Total	5,30,258	3,76,898	2,84,181	6,22,975

Note-33. 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, 2024	31st March, 2023
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	52,34,661	66,52,249
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-34. COMMITMENTS AND CONTINGENCIES

Particulars	31st March, 2024	31st March, 2023
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)	-	1,06,46,195

Race Polymer Arts LLP

Balance Sheet as at 31st March, 2024

Note-35. Employee benefit plans

As per Ind AS 19 "Employee Benefits", the disclosures of employee benefits as defined in the Indian Accounting Standard are given below:

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, 2024	Year ended 31st March, 2023
Contribution to Provident fund included under contribution to provident and other funds	2,50,750	2,42,165

Defined Benefit Plans

The obligation for gratuity and leave encashment is recognized as expense for the year.

Gratuity

The benefits are governed by the Payment of Gratuity Act, 1972. The key features are as under :

Plan Features	
Benefits offered	$(15 / 26) \times (\text{Salary}) \times (\text{Duration of Service in years})$
Salary definition	Last drawn qualifying Salary
Benefit ceiling	Without limit
Vesting conditions	5 years of service
Benefit eligibility	Upon death or disability or retirement
Retirement age	60 years

Leave Encashment :

The benefits are governed by the LLP's Leave Policy.

Key Features

Salary for Encashment	As per rules of the LLP
Benefit event	Death or Resignation or Retirement or Availment
Maximum accumulation	As per rules of the LLP
Benefit Formula	$(1/30) \times (\text{Basic Salary}) \times (\text{Leave Days})$
Leave Denominator	Employee 30
Leave Credited Annually	Employee 30
Retirement Age	60 years

Risks associated to the Plan (Gratuity and Leave Encashment)

A. Actuarial Risk	Risks due to adverse salary growth / Variability in mortality and withdrawal rates.
B. Investment Risk	Risks due to significant changes in discounting rate during the inter-valuation period.
C. Liquidity Risk	Risks on account of Employees resignation / retirement from the company , resulting into strain on the cashflow.
D. Market Risk	Risks related to changes and fluctuations of the financial markets and assumptions depend on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.
E. Legislative Risk	Risks of increase in the plan liabilities or reduction in plan assets due to change in legislation.

Key Assumptions considered (Gratuity and Leave Encashment)

Actuarial Assumptions	
A. Discount Rate	7.25 % p.a
B. Salary Growth Rate	5.00 % p.a
C. Mortality	IALM 2012-14
D. Withdrawal Rate	5.00% p.a
Financial Assumptions	
A. Discount Rate	7.25 % p.a
B. Salary Growth Rate	5.00 % p.a
Demographic Assumptions	
A. Withdrawal Rate	5.00% p.a
B. Mortality Rate	-

Reconciliation of opening and closing balances of Defined Benefit Obligation

(Amt in Rs.)

Particulars	2023-24		2022-23	
	Gratuity (Non-Funded)	Leave Encashment (Non-Funded)	Gratuity (Non-Funded)	Leave Encashment (Non-Funded)
Defined Benefit Obligation at beginning of the year	2,39,816	1,66,230	1,50,987	91,165
Current Service Cost	81,023	49,180	73,189	65,519
Interest Cost	17,986	12,467	10,947	6,609
Actuarial (Gain) / Losses recognised in Other Comprehensive Income	(2,958)	73,149	4,693	23,775
Due to Change in demographic assumption	-	-	-	-
Due to Change in financial assumptions (Gain)/ Loss	-	-	-	-
Due to Experience adjustments Gain/ Loss	-	-	-	-
Benefits paid	-	1,53,076	-	20,838
Prior year Charge	-	-	-	-
Defined Benefit Obligation at year end	3,35,867	1,47,950	2,39,816	1,66,230

Reconciliation of fair value of assets and obligations

Particulars	2023-24		2022-23	
	Gratuity (Non-Funded)	Leave Encashment (Non-Funded)	Gratuity (Non-Funded)	Leave Encashment (Non-Funded)
Fair value of Plan Assets	-	-	-	-
Present value of Obligation	3,35,867	1,47,950	2,39,816	1,66,230
(Deficit) / Surplus amount of Plans recognised in Balance Sheet	(3,35,867)	(1,47,950)	(2,39,816)	(1,66,230)

Expense recognized during the year

Particulars	2023-24		2022-23	
	Gratuity (Non-Funded)	Leave Encashment (Non-Funded)	Gratuity (Non-Funded)	Leave Encashment (Non-Funded)
Current Service Cost	81,023	49,180	73,189	65,519
Interest Cost	17,986	12,467	10,947	6,609
Net Cost	99,009	61,647	84,136	72,128

Actuarial assumptions

Particulars	2023-24		2022-23	
	Gratuity (Non-Funded)	Leave Encashment (Non-Funded)	Gratuity (Non-Funded)	Leave Encashment (Non-Funded)
Mortality Table	IALM 2012-14	IALM 2012-14	IALM 2012-14	IALM 2012-14
Discount Rate	7.25%	7.25%	7.50%	7.50%
Rate of escalation in Salary	5.00%	5.00%	5.00%	5.00%

Note-36. 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-37.

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.

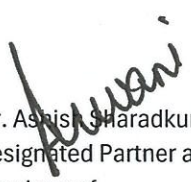
Note-38.

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

Note-39.

The LLP is an MSME which is a level III Entity and has accordingly complied with the Accounting Standards, in so far as they are applicable to the entities falling in Level III.

For and on behalf of Race Polymer Arts LLP,


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


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

PLACE : Ahmedabad
DATE : 27th April, 2023