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RACE POLYMER ARTS LLP

**ANNUAL REPORT
F.Y. 2024-25**

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) 35335844 & 35114850 ♦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 as at 31st March, 2025, 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. (collectively referred to as "the financial statements"). The financial statements have been prepared by the LLP's Designated Partners as required by Rule 24(8) of the Limited Liability Partnership Rules, 2009 ("the Rules").

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, 2025, and its 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, 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

The 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 issued by the ICAI, 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, the 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 the 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 also 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 whether the LLP has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial statements made by the management.
- Conclude on the appropriateness of the 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



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report. However, future events or conditions may cause the LLP to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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: 25th April, 2025



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

[N. M. NAGRI]
Proprietor
Membership No. 016992
UDIN: 25016992BMOIMD8588

Race Polymer Arts LLP

Balance Sheet as at 31st March, 2025

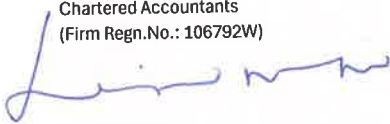
(Amount in Hundred)

| Particulars | Note No. | As at 31st March, 2025 | Year ended 31st March, 2024 |
|---|----------|---------------------------|--------------------------------|
| PARTNERS' FUNDS AND LIABILITIES | | | |
| (1) Partners' Funds | | | |
| (a) Partners' Capital Account | 3A | 10,00,000.00 | 10,00,000.00 |
| (i) Partners' Contribution | 3B | 10,91,218.80 | 6,98,786.49 |
| (ii) Partners' Current Account | 4 | 6,17,499.88 | 6,17,499.88 |
| (b) Reserves and Surplus | | 27,08,718.68 | 23,16,286.37 |
| (2) Non-Current Liabilities | | | |
| (a) Long-term Borrowings | 5 | 82,401.38 | 2,58,306.10 |
| (b) Deferred Tax Liabilities (Net) | 6 | 1,74,319.04 | 1,66,854.80 |
| (c) Long-term Provisions | 7 | 4,689.25 | 3,743.41 |
| | | 2,61,409.67 | 4,28,904.31 |
| (3) Current Liabilities | | | |
| (a) Short-term Borrowings | 5 | 1,75,285.36 | 1,58,490.00 |
| (b) Trade Payables | 8 | 1,07,592.98 | 1,30,072.41 |
| (c) Other Current Liabilities | 9 | 1,08,500.89 | 92,825.67 |
| (d) Short-term Provisions | 7 | 1,587.64 | 14,053.20 |
| | | 3,92,966.87 | 3,95,441.28 |
| Total Contribution and Liabilities | | 33,63,095.22 | 31,40,631.96 |
| ASSETS | | | |
| (1) Non-Current Assets | | | |
| (a) Property, Plant and Equipment and Intangible Assets | | | |
| (i) Property, Plant and Equipment | 10 | 16,36,158.61 | 17,13,564.91 |
| (ii) Intangible Assets | 10 | | |
| (iii) Capital Work-in-Progress | 10 | 11,000.00 | |
| (b) Long term Loans and Advances | 11 | 8,100.00 | |
| (c) Other Non-Current Assets | 12 | 16,385.87 | 16,385.87 |
| | | 16,71,644.48 | 17,29,950.78 |
| (2) Current Assets | | | |
| (a) Inventories | 13 | 3,89,177.62 | 4,27,277.39 |
| (b) Trade Receivables | 14 | 7,63,303.43 | 6,11,579.94 |
| (c) Cash and bank balances | 15 | 5,02,060.44 | 2,39,044.86 |
| (d) Short term Loans and Advances | 11 | 35,913.81 | 1,32,152.23 |
| (e) Other Current Assets | 16 | 995.44 | 626.76 |
| | | 16,91,450.74 | 14,10,681.18 |
| Total Assets | | 33,63,095.22 | 31,40,631.96 |

Brief about the Entity and summary of significant accounting policies.
The accompanying notes are an integral part of the financial statements

1 & 2

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 : 25th April, 2025



For and on behalf of Race Polymer Arts LLP

Mr. Ashish Sheradkumar Nemani.
Designated Partner and
Nominee of
SHREEYAM CERAMICS LLP
(Formerly known as
Nemani Mould Plast LLP)
DIN: 01269707
PLACE : Ahmedabad
DATE : 25th April, 2025



Mr. Shudharth 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, 2025

(Amount in Hundred)

| Sr. No. | Particulars | Note No. | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---------|--|----------|-----------------------------|-----------------------------|
| I | Revenue from Operations | 17 | 43,67,982.91 | 42,23,168.71 |
| II | Other Income | 18 | 17,883.94 | 67,062.37 |
| III | Total Income | | 43,85,866.85 | 42,90,231.08 |
| IV | Expenses | | | |
| | Cost of Materials Consumed | 19 | 26,72,348.01 | 24,99,290.21 |
| | Changes in Inventories of Finished goods and Work -in- Progress | 20 | (10,400.18) | 1,02,932.39 |
| | Employee Benefits Expense | 21 | 2,38,204.16 | 2,12,673.77 |
| | Finance Costs | 22 | 31,206.37 | 47,446.23 |
| | Depreciation and Amortisation Expense | 23 | 1,74,703.85 | 1,79,621.38 |
| | Other Expenses | 24 | 6,77,397.80 | 6,14,426.58 |
| | Total Expenses | | 37,83,460.01 | 36,56,390.56 |
| V | Profit/(loss) before exceptional and extraordinary items and partners' remuneration and tax (III-IV) | | 6,02,406.84 | 6,33,840.52 |
| VI | Exceptional items | | - | - |
| VII | Profit/(loss) before extraordinary items and partners' remuneration and tax (V-VI) | | 6,02,406.84 | 6,33,840.52 |
| VIII | Extraordinary Items | | - | - |
| IX | Profit / (Loss) before partners' remuneration and tax (VII-VIII) | | 6,02,406.84 | 6,33,840.52 |
| X | Partners' remuneration | | - | - |
| XI | Profit / (Loss) before Tax (IX-X) | | 6,02,406.84 | 6,33,840.52 |
| XII | Tax Expense : | | | |
| | (a) Current Tax | 25 | 2,02,500.00 | 1,98,726.87 |
| | (b) Excess/Short provision of tax relating to earlier years | | 10.29 | 24.30 |
| | (c) Deferred tax charge/ (benefit) | 6 | 7,464.24 | 24,171.74 |
| | | | 2,09,974.53 | 2,22,922.91 |
| XIII | Profit/(Loss) for the period from continuing operations (XI-XII) | | 3,92,432.31 | 4,10,917.61 |
| XIV | Profit/(loss) from discontinuing operations | | - | - |
| XV | Tax expense of discontinuing operations | | - | - |
| XVI | Profit/(loss) from discontinuing operations (after tax) (XIV-XV) | | - | - |
| XVII | Profit/(Loss) for the year (XIII+XVI) | | 3,92,432.31 | 4,10,917.61 |

Brief about the Entity and summary of significant accounting policies.
The accompanying notes are an integral part of the financial statements

1 & 2

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 : 25th April, 2025



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 : 25th April, 2025



Mr. Siddharth Patel

Designated Partner and

Nominee of

CERA SANITRYWARE LTD.

DIN: 09828300

Race Polymer Arts LLP
Cash Flow Statement for the year ended 31st March, 2025

(Amount in Hundred)

| Sr. No. | Particulars | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|-----------|---|--------------------------------|--------------------------------|
| A. | Cash Flow from Operating Activities | | |
| | Net Profit Before Tax | 6,02,406.84 | 6,33,840.52 |
| | Adjusted for: | | |
| | Depreciation | 1,74,703.85 | 1,79,621.38 |
| | Finance Cost | 31,206.37 | 47,446.23 |
| | Profit/loss on Sale of Fixed Asset | 1,376.32 | (2,841.95) |
| | Provision for Gratuity | 1,559.00 | 960.51 |
| | Petty Balance Written off | (0.34) | (3.19) |
| | Interest Income | (1,585.33) | (696.40) |
| | Items pertaining to previous year, unspent liabilities and provisions no longer required written back (net) | (943.99) | (637.02) |
| | Sub Total | 2,06,315.88 | 2,23,849.56 |
| | Operating Profit before Working Capital Change | 8,08,722.72 | 8,57,690.08 |
| | Adjustment for Change in Working Capital | | |
| | (Increase)/Decrease in Inventories | 38,099.77 | 96,987.32 |
| | (Increase)/Decrease in Trade Receivables | (1,51,723.49) | (54,371.40) |
| | (Increase)/Decrease in Loans and Advances | 1,06,707.83 | 31,334.12 |
| | (Increase)/Decrease in Other Assets | (368.68) | (42,188.48) |
| | Increase/(Decrease) in Trade Payable | (22,479.43) | (43,673.34) |
| | Increase/(Decrease) in Provisions | (120.28) | (33.34) |
| | Increase/(Decrease) in Other Current Liabilities | 16,619.55 | 37,471.27 |
| | Sub Total | (13,264.73) | 25,526.15 |
| | Cash Generation from Operations | 7,95,457.99 | 8,83,216.23 |
| | Less: Direct Taxes Paid | 2,24,352.81 | 1,85,792.73 |
| | Net Cash from Operating Activities (Total A) | 5,71,105.18 | 6,97,423.50 |
| B | Cash Flow From Investing Activities | | |
| | Payment for purchase of Property, Plant and Equipments | (1,18,423.87) | (1,33,972.66) |
| | Proceeds from sale of Property, Plant and Equipments | 650.00 | 6,100.00 |
| | Net Cash Used in Investing Activities (Total B) | (1,17,773.87) | (1,27,872.66) |
| C | Cash Flow from Financing Activities | | |
| | Proceed from Partners Contributions | | |
| | Payments for Long Term Borrowing | (1,59,109.36) | (1,43,836.20) |
| | Proceeds/ (Payments) from Short Term Borrowing | | (1,40,128.91) |
| | Finance Cost | (31,206.37) | (47,446.23) |
| | Net Cash Used in Financing Activities (Total C) | (1,90,315.73) | (3,31,411.34) |
| | Changes in Cash & cash equivalents (A+B+C) | 2,63,015.58 | 2,38,139.50 |
| | Opening Balance Cash and Cash Equivalents | 2,39,044.86 | 905.36 |
| | Closing Balance Cash and Cash Equivalents | 5,02,060.44 | 2,39,044.86 |

Notes to Cash Flow Statement

- Components of cash and cash equivalents

| | | |
|--|--------------------|--------------------|
| Balances with banks | 5,01,489.53 | 2,38,767.65 |
| Cash on hand | 570.91 | 277.21 |
| Cash and cash equivalents considered in Cash Flow Statement | 5,02,060.44 | 2,39,044.86 |
- 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 are an integral part of the financial statements

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 : 25th April, 2025



For and on behalf of Race Polymer Arts LLP

Mr. Ashish Sharadkumar Nemani
Designated Partner and
Nominee of
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DIN: 01269707

PLACE : Ahmedabad
DATE : 25th April, 2025

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

RACE POLYMER ARTS LLP

Material Accounting Policies & Practices

(Annexed to and forming part of Financial Statements for the year ended 31st March 2025)

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. CERA Sanitaryware Limited and Shreeyam Ceramics LLP are partners in LLP having capital and profit sharing ratio of 51:49.

(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 (CERA) 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 CERA 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 in place of Shri P.C. Surana.

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.

1) Basis of Accounting and Preparation of Financial Statements:

(a) 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.

(b) 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 recognised in accordance with the requirements of the respective accounting standards.

(c) Functional and presentation currency:

The Financial statements are presented in Indian rupees which is also a functional currency. All the values have been rounded off to the nearest hundred, unless otherwise indicated.

2) Material Accounting Policies:

2.1 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

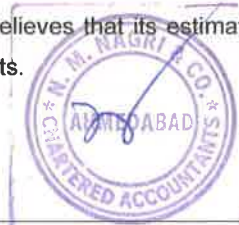
Depreciation is calculated on cost of items of property, plant and equipment (other than freehold land and properties under construction) less their estimated residual values over their estimated useful lives using the straight line method in respect of plant and machinery, electric plant and installation 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.

[c] Intangible Assets

Initial Recognition and Classification

Intangible assets including those acquired by the LLP are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

2.2 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.

2.3 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.

2.4 Current versus Non-Current Classification

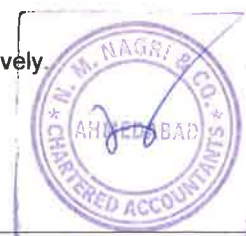
The LLP presents assets and liabilities in the Balance Sheet based on current/ non-current classification.

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.



2.5 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.

2.6 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.

2.7 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.

2.8 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.



2.9 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.

2.10 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.

2.11 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.

Alternate Minimum Tax (AMT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the LLP will pay normal income tax. Accordingly, AMT is recognised as an asset in the balance sheet when it is highly probable that future economic benefit associated with it will flow to the LLP.

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.

2.12 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.



2.13 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. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined; if no impairment loss had been recognised.



Race Polymer Arts LLP

Notes to Financial Statements as at 31st March, 2025

Note - 3A. Partners' Contribution Account

(Amount in Hundred)

| Sr. No. | Name of Partner | Agreed contribution | Share of profit/(loss) (%) | As at 1st April 2024 | Introduced / contributed during the year | Remuneration for the year | Interest for the year | Withdrawals during the year | Share of Profit / Loss for the year | As at 31st March 2025 |
|---------|--|---------------------|----------------------------|----------------------|--|---------------------------|-----------------------|-----------------------------|-------------------------------------|-----------------------|
| 1 | Cera Sanitaryware Ltd. (Nominee Shri Siddharth Patel is a Designated Partner) | 5,10,000.00 | 51% | 5,10,000.00 | - | - | - | - | - | 5,10,000.00 |
| 2 | Shreeyam Ceramics LLP (Formerly known as Nemani Mould Plast LLP) (Nominee Shri Ashish Sharadkumar Nemani is a Designated Partner) | 4,90,000.00 | 49% | 4,90,000.00 | - | - | - | - | - | 4,90,000.00 |
| | | 10,00,000.00 | | 10,00,000.00 | - | - | - | - | - | 10,00,000.00 |
| | Previous Year (PY) | 10,00,000.00 | | 10,00,000.00 | - | - | - | - | - | 10,00,000.00 |

Note - 3B. Partners' Current Account

| Sr. No. | Name of Partner | Share of profit/(loss) (%) | As at 1st April 2024 | Introduced / contributed during the year | Remuneration for the year | Interest for the year | Withdrawals during the year | Share of Profit / Loss for the year | As at 31st March 2025 |
|---------|--|----------------------------|----------------------|--|---------------------------|-----------------------|-----------------------------|-------------------------------------|-----------------------|
| 1 | Cera Sanitaryware Ltd. (Nominee Shri Siddharth Patel is a Designated Partner) | 51% | 3,56,381.11 | - | - | - | - | 2,00,140.48 | 5,56,521.59 |
| 2 | Shreeyam Ceramics LLP (Formerly known as Nemani Mould Plast LLP) (Nominee Shri Ashish Sharadkumar Nemani is a Designated Partner) | 49% | 3,42,405.38 | - | - | - | - | 1,92,291.83 | 5,34,697.21 |
| | | | 6,98,786.49 | - | - | - | - | 3,92,432.31 | 10,91,218.80 |
| | Previous Year | | 2,87,868.88 | - | - | - | - | 4,10,917.61 | 6,98,786.49 |



Race Polymer Arts LLP

Notes to Financial Statements as at 31st March, 2025

NOTE - 4. RESERVES AND SURPLUS

(Amount in Hundred)

| Sr. No. | Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
|------------|---|---------------------------|---------------------------|
| 1 | Undistributed Surplus | | |
| | At the commencement of the year | 6,17,499.88 | 6,17,499.88 |
| | Profit / (Loss) for the year | 3,92,432.31 | 4,10,917.61 |
| | Less : Profit/loss distributed among partners | (3,92,432.31) | (4,10,917.61) |
| | Less : Transfer from opening balances | | |
| | At the end of the year | 6,17,499.88 | 6,17,499.88 |



Race Polymer Arts LLP

Notes to Financial Statements as at 31st March, 2025

Note - 5. BORROWINGS

(Amount in Hundred)

| Sr.No. | Particulars | Long-Term | | Short term | |
|--------|---------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| | | As at 31st March, 2025 | As at 31st March, 2024 | As at 31st March, 2025 | As at 31st March, 2024 |
| | Secured Term Loans | | | | |
| | From HDFC Bank Ltd. | 82,401.38 | 2,58,306.10 | 1,75,285.36 | 1,58,490.00 |
| | Cash Credit from HDFC Bank Ltd. | - | - | - | - |
| | Total | 82,401.38 | 2,58,306.10 | 1,75,285.36 | 1,58,490.00 |

- 6.1 Term loans and cash credit facilities 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.
- 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 on Term Loans: April-May, 2022 : 7.15%, June to Sep 2022 :7.55%, Oct- Dec, 2022 : 8.55% ,Jan to Mar, 2023 : 9.40%, April to March 2024 : 9.65 %, April -June 2024 : 9.61 % , July -Sep 2024 : 9.55 %, Oct - Dec 2024 : 9.34 % and Jan to March 2025 : 9.12% (Floating Rate).
- 6.4 Rate of Interest on Cash Credit facility : 9.65% p.a.



Race Polymer Arts LLP
Notes to Financial Statements as at 31st March-2025

Note - 6. DEFERRED TAX LIABILITIES (NET)

(Amount in Hundred)

| Sr. No. | Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
|----------|--|---------------------------|---------------------------|
| 1 | Deferred Tax Assets | | |
| | (Expenses provided but allowable in Income Tax on payment basis) | | |
| | (a) Provision for Leave Encashment | 474.90 | 517.00 |
| | (b) Provision for Gratuity | 1,718.50 | 1,173.65 |
| | (c) Provision for Bonus | 700.55 | 486.27 |
| | Gross Deferred Tax Asset (A) | 2,893.95 | 2,176.92 |
| 2 | Deferred Tax Liabilities | | |
| | (Arising on account of timing difference) | | |
| | (a) Assets: Impact of difference between carrying value and tax base of Depreciable assets | 1,77,212.99 | 1,69,031.72 |
| | Gross Deferred Tax Liabilities (B) | 1,77,212.99 | 1,69,031.72 |
| | Net deferred tax (Asset)/Liabilities(B - A) | 1,74,319.04 | 1,66,854.80 |

Reconciliation of Deferred Tax Assets / Liabilities (Net):

| Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
|--|---------------------------|---------------------------|
| Opening Balance | 1,66,854.80 | 1,42,683.06 |
| Tax (Income)/Expense during the period recognised in Profit or Loss | 7,464.24 | 24,171.74 |
| Tax (Income)/Expense during the period recognised directly in Reserves and Surplus | - | - |
| Closing balance | 1,74,319.04 | 1,66,854.80 |

Movements in DTA:

| Particulars | Leave Encashment | Gratuity | Carry forward Loss | Bonus | Unabsorbed Dep. | Total |
|----------------------------|------------------|-----------------|-----------------------|---------------|--------------------|-----------------|
| At 31st March, 2023 | 580.87 | 838.01 | - | 434.05 | - | 1,852.93 |
| (Charged)/Credited: | | | | | | |
| to Profit or Loss | (63.87) | 335.64 | - | 52.22 | - | 323.99 |
| to Reserves and Surplus | | | | | | |
| At 31st March, 2024 | 517.00 | 1,173.65 | - | 486.27 | - | 2,176.92 |
| (Charged)/Credited: | | | | | | |
| to Profit or Loss | (42.10) | 544.85 | - | 214.28 | - | 717.03 |
| to Reserves and Surplus | | | | | | |
| 31st March, 2025 | 474.90 | 1,718.50 | - | 700.55 | - | 2,893.95 |

Movements in DTL:

| Particulars | Assets : Impact of difference between Tax Depreciation and Depreciation / amortization charged for the financial reporting |
|----------------------------|---|
| At 31st March, 2023 | 1,44,535.99 |
| Charged/(Credited): | |
| to Profit or Loss | 24,495.73 |
| to Reserves and Surplus | - |
| At 31st March, 2024 | 1,69,031.72 |
| Charged/(Credited): | |
| to Profit or Loss | 8,181.27 |
| to Reserves and Surplus | - |
| 31st March, 2025 | 1,77,212.99 |



Race Polymer Arts LLP

Notes to Financial Statements as at 31st March, 2025

Note - 7. Provisions

(Amount in Hundred)

| Sr. No. | Particulars | Long-Term | | Short term | |
|------------|---|---------------------------|---------------------------|---------------------------|---------------------------|
| | | As at 31st March, 2025 | As at 31st March, 2024 | As at 31st March, 2025 | As at 31st March, 2024 |
| | Provision for Employee Benefits | | | | |
| | (a) Provision for Leave Encashment | 973.84 | 1,122.08 | 385.19 | 357.42 |
| | (b) Provision for Gratuity | 3,715.41 | 2,621.33 | 1,202.45 | 737.34 |
| | Other provisions | | | | |
| | Provision for Income tax [net of advance tax of Rs.2,11,384.08 (previous year Rs.1,85,768.43)] | - | - | - | 12,958.44 |
| | Total Provisions | 4,689.25 | 3,743.41 | 1,587.64 | 14,053.20 |



Race Polymer Arts LLP

Notes to Financial Statements as at 31st March, 2025

Note - 8. TRADE PAYABLES

(Amount in Hundred)

| Sr. No. | Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
|---------|--|---------------------------|---------------------------|
| 1 | Total outstanding dues of micro, small and medium enterprises | 43,434.83 | 52,346.61 |
| 2 | Total outstanding dues of creditors other than micro, small and medium enterprises | 64,158.15 | 77,725.80 |
| | Total Trade payables | 1,07,592.98 | 1,30,072.41 |

For Related Party transactions, Refer Note No. 26

Disclosure relating to suppliers registered under MSMED Act based on the information available with the entity Company:

| Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
|--|---------------------------|---------------------------|
| a) Amount remaining unpaid to any supplier at the end of each accounting Principal Interest | 43,434.83 | 52,346.61 |
| Total | 43,434.83 | 52,346.61 |
| b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount 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. | - | - |
| 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 above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act. | - | - |

Note - 9. OTHER CURRENT LIABILITIES

| Sr. No. | Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
|---------|--|---------------------------|---------------------------|
| | Interest accrued but not due on Borrowings | 1,969.59 | 3,339.69 |
| | Expenses Payable | 27,968.13 | 23,149.94 |
| | Employee Related Payable | 34,428.79 | 38,014.89 |
| | TDS Payable | 1,376.15 | 976.99 |
| | Goods and Service Tax Payable | 42,353.18 | 26,893.00 |
| | PF/PT Payable | 405.05 | 451.16 |
| | Total Other current liabilities | 1,08,500.89 | 92,825.67 |



Race Polymer Arts LLP

Notes to Financial Statements as at 31st March, 2025

Note - 10. PROPERTY, PLANT, EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

(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 |
|---------------------|--------------------------|---------------|-------------|----------------------|--------------------------|-----------------|----------------|------------------------|-------------------|-----------|----------|--------------|
| (Amount in Hundred) | | | | | | | | | | | | |
| 1 | Gross Block | | | | | | | | | | | |
| | As at 1st April, 2023 | 1,38,024.41 | 6,33,938.69 | 9,66,224.51 | 1,01,467.14 | 4,32,757.54 | 1,244.38 | 3,319.74 | 538.29 | 1,073.26 | 6,120.00 | 22,84,707.96 |
| | Additions | - | - | 85,317.15 | - | 63,832.23 | - | - | - | 799.64 | - | 1,49,949.02 |
| | Deductions/Adjustments | - | - | - | - | 6,100.00 | - | - | - | - | - | 6,100.00 |
| | As at 1st April, 2024 | 1,38,024.41 | 6,33,938.69 | 10,51,541.66 | 1,01,467.14 | 4,90,489.77 | 1,244.38 | 3,319.74 | 538.29 | 1,872.90 | 6,120.00 | 24,28,556.98 |
| | Additions | - | 18,870.26 | 3,530.00 | - | 75,840.45 | - | 230.00 | 445.16 | 408.00 | - | 99,323.87 |
| | Deductions/Adjustments | - | - | 2,100.00 | - | - | - | - | - | - | - | 2,100.00 |
| | As at 31st March, 2025 | 1,38,024.41 | 6,52,808.95 | 10,52,971.66 | 1,01,467.14 | 5,66,330.22 | 1,244.38 | 3,549.74 | 983.45 | 2,280.90 | 6,120.00 | 25,25,780.85 |
| | As at 31st March, 2024 | 1,38,024.41 | 6,33,938.69 | 10,51,541.66 | 1,01,467.14 | 4,90,489.77 | 1,244.38 | 3,319.74 | 538.29 | 1,872.90 | 6,120.00 | 24,28,556.98 |
| 2 | Depreciation/Adjustments | | | | | | | | | | | |
| | As at 1st April, 2023 | - | 1,56,696.46 | 88,762.62 | 34,648.47 | 2,49,495.90 | 395.57 | 2,139.81 | 521.24 | 993.31 | 4,559.26 | 5,38,212.64 |
| | Additions | - | 45,462.21 | 37,650.38 | 9,665.78 | 85,718.09 | 118.54 | 306.30 | - | 211.33 | 488.75 | 1,79,621.38 |
| | Deductions/Adjustments | - | - | - | - | 2,841.95 | - | - | - | - | - | 2,841.95 |
| | As at 1st April, 2024 | - | 2,02,158.67 | 1,26,413.00 | 44,314.25 | 3,32,372.04 | 514.11 | 2,446.11 | 521.24 | 1,204.64 | 5,048.01 | 7,14,992.07 |
| | Additions | - | 41,613.33 | 39,893.53 | 9,639.42 | 82,078.67 | 118.21 | 266.66 | 172.44 | 586.81 | 334.78 | 1,74,703.85 |
| | Deductions/Adjustments | - | - | 73.68 | - | - | - | - | - | - | - | 73.68 |
| | As at 31st March, 2025 | - | 2,43,772.00 | 1,66,232.85 | 53,953.67 | 4,14,450.71 | 632.32 | 2,712.77 | 693.68 | 1,791.45 | 5,382.79 | 8,89,622.24 |
| | As at 31st March, 2024 | - | 2,02,158.67 | 1,26,413.00 | 44,314.25 | 3,32,372.04 | 514.11 | 2,446.11 | 521.24 | 1,204.64 | 5,048.01 | 7,14,992.07 |
| 3 | Net Block | | | | | | | | | | | |
| | As at 1st April, 2023 | 1,38,024.41 | 4,31,780.02 | 9,25,128.66 | 57,152.89 | 1,56,117.73 | 730.27 | 873.63 | 17.05 | 668.26 | 1,071.99 | 17,13,564.91 |
| | As at 31st March, 2025 | 1,38,024.41 | 4,09,036.95 | 8,86,738.81 | 47,513.47 | 1,51,879.51 | 612.06 | 836.97 | 289.77 | 489.45 | 737.21 | 16,36,158.61 |

(b) Capital work-in-progress

| Particulars | 31st March, 2025 |
|-----------------------------------|------------------|
| As at 1st April, 2023 | - |
| Add: Additions during the year | - |
| Less: Capitalized during the year | - |
| As at 1st April, 2024 | - |
| Add: Additions during the year | 11,000.00 |
| Less: Capitalized during the year | - |
| As at 31st March, 2025 | 11,000.00 |

Notes:

- Factory Land & Building at Survey no. 949 and 77 Maule Gamanpura & Mitha, Village - Balol, Mehsana - 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. 23,760.00 as on 31st March, 2025 and Rs. Nil as on 31st March, 2024.
- The LLP does not own Intangible Assets as on 31st March, 2025 and 31st March, 2024. Hence, there is no Amortisation adjustments for FY 2024-25 and FY 2023-24.



Race Polymer Arts LLP

Notes to Financial Statements as at 31st March, 2025

Note - 11. LOANS AND ADVANCES

(Amount in Hundred)

| Sr. No. | Particulars | Long-Term | | Short term | |
|---------|---|---------------------------|---------------------------|---------------------------|---------------------------|
| | | As at 31st March, 2025 | As at 31st March, 2024 | As at 31st March, 2025 | As at 31st March, 2024 |
| | Loans and advances (Unsecured) | | | | |
| a | Capital advances | | | | |
| | Considered good | 8,100.00 | - | - | - |
| b | Other loans and advances | - | - | - | - |
| | Advance tax and tax deducted at source [Net of provision for income tax of Rs. 2,02,500.00 (previous year Rs. 1,98,726.87)] | - | - | 8,884.08 | - |
| | Balance with government authorities (Interest Subsidy) | - | - | 21,353.16 | 81,685.59 |
| | Prepaid Expenses | - | - | 991.57 | 996.09 |
| | Other Advances | - | - | 4,685.00 | 49,470.55 |
| | Total | 8,100.00 | - | 35,913.81 | 1,32,152.23 |



Race Polymer Arts LLP

Notes to Financial Statements as at 31st March, 2025

Note - 12. OTHER NON-CURRENT ASSETS

(Amount in Hundred)

| Sr. No. | Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
|---------|--|---------------------------|---------------------------|
| | Security Deposits (UGVCL) - Unsecured; Considered Good | 16,385.87 | 16,385.87 |
| | Total other non-current assets | 16,385.87 | 16,385.87 |

Note - 13. INVENTORIES

| Sr. No. | Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
|---------|---|---------------------------|---------------------------|
| | As taken, valued & certified by the Management At Lower of Cost and Net Realisable Value | | |
| 1 | Raw Materials | 93,810.30 | 1,44,919.85 |
| 2 | Work-in-Progress | 77,426.13 | 52,915.61 |
| 3 | Finished Goods | 1,67,681.85 | 1,81,792.19 |
| 4 | Stores and Spares | 50,259.34 | 47,649.74 |
| | Total | 3,89,177.62 | 4,27,277.39 |

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

Note - 14. TRADE RECEIVABLES

| Sr.No. | Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
|--------|--|---------------------------|---------------------------|
| | Outstanding for a period less than 6 months from the date they are due for receipt | | |
| a) | Secured Considered good | - | - |
| b) | Unsecured Considered good* | 7,63,303.43 | 6,11,579.94 |
| c) | Doubtful | - | - |
| | Less: Provision for doubtful receivables | - | - |
| | | 7,63,303.43 | 6,11,579.94 |
| | Outstanding for a period exceeding 6 months from the date they are due for receipt | | |
| a) | Secured Considered good | - | - |
| b) | Unsecured Considered good* | - | - |
| | | - | - |
| | Total | 7,63,303.43 | 6,11,579.94 |

14.1 *Debts due by Cera Sanitaryware Ltd. Rs. 4,48,013.48 (31.03.2024: Rs. 4,85,774.45)

The LLP is subsidiary of Cera Sanitaryware Ltd.

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

14.3 Refer to Note No. 26 for dues from Related Parties.

NOTE - 15. CASH AND BANK BALANCES

| Sr. No. | Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
|---------|----------------------------------|---------------------------|---------------------------|
| | Cash and cash equivalents | | |
| a) | On current accounts | 5,01,489.53 | 2,38,767.65 |
| b) | Cash on hand | 570.91 | 277.21 |
| | Total | 5,02,060.44 | 2,39,044.86 |

NOTE - 16. OTHER CURRENT ASSETS

| Sr. No. | Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
|---------|---|---------------------------|---------------------------|
| | Interest accrued but not due on Security Deposits | 995.44 | 626.76 |
| | Total | 995.44 | 626.76 |



Race Polymer Arts LLP

Notes to Financial Statements for the year ended 31st March, 2025

Note - 17. REVENUE FROM OPERATIONS

(Amount in Hundred)

| Sr. No. | Particulars | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---------|--|--------------------------------|--------------------------------|
| (a) | Sale of products (Manufactured) | | |
| | Domestic Sales (includes sales to Related Parties (Refer Note No. 26)) | 43,59,184.76 | 42,09,570.30 |
| (b) | Other Operating Revenue | | |
| (i) | Scrap Sales | 8,798.15 | 13,598.41 |
| (ii) | Cash Discount | | |
| | Revenue from operations | 43,67,982.91 | 42,23,168.71 |

Note - 18. OTHER INCOME

| Sr. No. | Particulars | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---------|---|--------------------------------|--------------------------------|
| (a) | Interest Income | | |
| (i) | On Security Deposit | 1,585.33 | 696.40 |
| (ii) | On Income Tax Refund | - | 538.32 |
| (b) | Other Non Operating Revenue | | |
| (i) | Government Subsidy | 15,354.28 | 61,897.54 |
| (ii) | Petty Balance Written Back | 0.34 | 3.19 |
| (iii) | Profit on Sale of Fixed Assets | - | 2,841.95 |
| (iv) | Miscellaneous Receipts | - | 447.95 |
| (v) | Items pertaining to previous year, unspent liabilities and provisions no longer required written back (net) | 943.99 | 637.02 |
| | Total other income | 17,883.94 | 67,062.37 |

Note - 19. COST OF MATERIALS CONSUMED

| Sr. No. | Particulars | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---------|--------------------------------------|--------------------------------|--------------------------------|
| | Cost of Raw material consumed | | |
| | Opening Stock | 1,44,919.85 | 1,32,834.96 |
| Add: | Purchases | 26,21,238.46 | 25,11,375.10 |
| Less: | Closing Stock | 93,810.30 | 1,44,919.85 |
| | Cost of raw material consumed | 26,72,348.01 | 24,99,290.21 |

Note - 20. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

| Sr. No. | Particulars | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---------|---|--------------------------------|--------------------------------|
| | Inventories at the beginning of the year: | | |
| | Work in Progress | 52,915.61 | 70,850.77 |
| | Finished Goods | 1,81,792.19 | 2,66,789.42 |
| | | 2,34,707.80 | 3,37,640.19 |
| | Inventories at the end of the year: | | |
| | Work in Progress | 77,426.13 | 52,915.61 |
| | Finished Goods | 1,67,681.85 | 1,81,792.19 |
| | | 2,45,107.98 | 2,34,707.80 |
| | (Increase)/Decrease in inventories of finished goods, work-in-progress | (10,400.18) | 1,02,932.39 |



Race Polymer Arts LLP

Notes to Financial Statements for the year ended 31st March, 2025

Note - 21. EMPLOYEE BENEFITS EXPENSE

(Amount in Hundred)

| Sr. No. | Particulars | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---------|---|--------------------------------|--------------------------------|
| 1 | Salaries, Wages, Bonus and other Allowances | 2,35,291.52 | 2,10,105.08 |
| 2 | Contribution to Provident and other Funds | 1,228.25 | 1,517.42 |
| 3 | Gratuity Expenses | 1,559.19 | 960.50 |
| 4 | Staff Welfare Expenses | 125.20 | 90.77 |
| | Total Employee benefits expense | 2,38,204.16 | 2,12,673.77 |

Note - 22. FINANCE COSTS

| Sr. No. | Particulars | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---------|---------------------------|--------------------------------|--------------------------------|
| (a) | On Term Loans | 31,206.37 | 46,680.92 |
| (b) | On Working Capital Loans | - | 765.31 |
| | Total Finance cost | 31,206.37 | 47,446.23 |

Note - 23. Depreciation and amortization expense

| Sr. No. | Particulars | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---------|--|--------------------------------|--------------------------------|
| (a) | On tangible assets (Refer Note No. 10) | 1,74,703.85 | 1,79,621.38 |
| | Total Depreciation and amortization expense | 1,74,703.85 | 1,79,621.38 |

Note - 24. OTHER EXPENSES

| Sr. No. | Particulars | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---------|---|--------------------------------|--------------------------------|
| | Consumption of Stores, Spare parts and Packing Material | | |
| | Opening Stock | 47,649.74 | 53,789.56 |
| Add: | Purchases | 5,06,701.46 | 4,50,732.22 |
| | sub total | 5,54,351.20 | 5,04,521.78 |
| Less : | Closing Stock | 50,259.34 | 47,649.74 |
| | | 5,04,091.86 | 4,56,872.04 |
| | Power and Fuel (Net) | 1,14,071.92 | 1,01,443.07 |
| | Repairs and Maintenance | | |
| | - To Plant and Machinery | 11,338.63 | 12,244.27 |
| | - To Buildings | - | 115.00 |
| | - To Other Assets | - | 135.57 |
| | Insurance Premium | 7,162.07 | 7,003.10 |
| | Freight Outward, Coolies and Cartages | 2,872.25 | 3,276.60 |
| | Travelling expenses | 1,498.93 | 1,278.95 |
| | Payments to Auditors | | |
| | - Statutory Audit fees | 1,300.00 | 1,100.00 |
| | - Tax Audit Fees | 425.00 | 400.00 |
| | - For Other Services | 500.00 | 612.54 |
| | Printing and Stationery Expenses | 54.27 | 153.36 |
| | Legal and Professional Consultancy Fees | 6,896.66 | 6,668.66 |
| | Rates and Taxes | 146.69 | 13.99 |
| | GST Expense | 1,082.17 | 216.39 |
| | Retainership Expense | 18,000.00 | 16,500.00 |
| | Bank Charges | 604.17 | 600.61 |
| | Loss on Sale of Property, Plant and Equipment | 1,376.32 | - |
| | Website Expense | 212.37 | 68.55 |
| | Vehicle Repairs and Maintenance | 85.12 | 95.84 |
| | Vehicle Expenses (Petrol and Diesel) | 997.71 | 847.87 |
| | Miscellaneous Expenses | 4,681.66 | 4,780.17 |
| | Total | 6,77,397.80 | 6,14,426.58 |



Race Polymer Arts LLP

Notes to Financial Statements as at 31st March, 2025

Note - 25. CURRENT TAX

(Amount in Hundred)

| Sr.No. | Particulars | Year ended | Year ended |
|--------|--------------|--------------------|--------------------|
| | | 31st March, 2025 | 31st March, 2024 |
| 1 | Current Tax | 2,02,500.00 | 1,98,726.87 |
| | Total | 2,02,500.00 | 1,98,726.87 |



Race Polymer Arts LLP

Notes to Financial Statements for the year ended 31st March , 2025

Note - 26. RELATED PARTY DISCLOSURES

26.1 Details of Related Parties

Description of relationship:

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

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

| | | (Amount in Hundred) | |
|---------|--|---------------------------|---------------------------|
| Sr. No. | Transactions during the year ended | As at 31st March, 2025 | As at 31st March, 2024 |
| 1 | Sales of Goods | | |
| | Cera Sanitaryware Ltd (Parent Company) | 33,01,406.33 | 34,08,317.14 |
| | Golf Ceramics Ltd. | 10,57,895.06 | 8,07,742.77 |
| | Total | 43,59,301.39 | 42,16,059.91 |
| 2 | Purchases | | |
| | Cera Sanitaryware Ltd (Parent Company) | - | - |
| | Golf Ceramics Ltd. | - | - |
| | Packcart Packaging LLP | 2,75,808.14 | 2,67,671.82 |
| | Mandav Paper Packaging LLP | 1,18,153.97 | 76,632.07 |
| | Total | 3,93,962.11 | 3,44,303.89 |
| 3 | Contribution Received | | |
| | Cera Sanitaryware Ltd. (Nominee Shri Siddharth Patel is a Designated Partner) | - | - |
| | Shreeyam Ceramics LLP (Formerly known as Nemani Mould Plast LLP) (Nominee Shri Ashish Sharadkumar Nemani is a Designated Partner) | - | - |
| | Total | - | - |
| Sr. No. | Balance Outstanding | As at 31st March, 2025 | As at 31st March, 2024 |
| 1 | Trade Receivables | | |
| | Cera Sanitaryware Ltd (Parent Company) | 4,48,013.48 | 4,85,774.45 |
| | Golf Ceramics Ltd. | 3,12,944.15 | 1,22,849.87 |
| | Total | 7,60,957.63 | 6,08,624.32 |
| 2 | Trade Payables | | |
| | Packcart Packaging LLP | 32,547.86 | 35,277.29 |
| | Mandav Paper Packaging LLP | 8,454.61 | 4,005.49 |
| | Total | 41,002.47 | 39,282.78 |
| 3 | Contributions from Partners: | | |
| | Cera Sanitaryware Ltd. (Nominee Shri Siddharth Patel is a Designated Partner) | 5,10,000.00 | 5,10,000.00 |
| | Shreeyam Ceramics LLP (Formerly known as Nemani Mould Plast LLP) (Nominee Shri Ashish Sharadkumar Nemani is a Designated Partner) | 4,90,000.00 | 4,90,000.00 |
| | Total | 10,00,000.00 | 10,00,000.00 |

26.3

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 for the year ended 31st March, 2025

Note-27.

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

(Amount in Hundred)

| Particulars | Balance as on 01/04/2024 | Provided during the year | Paid/Adjusted During the year | Balance as on 31/03/2025 |
|------------------------|--------------------------------|--------------------------------|-------------------------------------|--------------------------------|
| Non-current provisions | | | | |
| Accumulated leaves | 1,122.08 | 690.27 | 838.51 | 973.84 |
| Gratuity | 2,621.33 | 1,094.08 | - | 3,715.41 |
| Total | 3,743.41 | 1,784.35 | 838.51 | 4,689.25 |
| Current provisions | | | | |
| Accumulated leaves | 357.42 | 385.19 | 357.42 | 385.19 |
| Gratuity | 737.34 | 465.11 | - | 1,202.45 |
| Total | 1,094.76 | 850.30 | 357.42 | 1,587.64 |
| Grand Total | 4,838.17 | 2,634.65 | 1,195.93 | 6,276.89 |

Note-28. COMMITMENTS AND CONTINGENCIES

| Particulars | 31st March, 2025 | 31st March, 2024 |
|--|------------------|------------------|
| Commitments | | |
| Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances) | 23,760.00 | - |



Note-29. 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 | (Amount in Hundred) | |
|---|--------------------------------|--------------------------------|
| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
| Contribution to Provident fund included under contribution to provident and other funds | 1,228.25 | 1,517.42 |

Defined Benefit Plans

The LLP offers the Gratuity benefits and Privilege Leave benefits (included as part of 'Employee benefit Expense' in Note 21) 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, 2025 | | | Year ended 31st March, 2024 | | |
|--|--------------------------------|-------------------|-------------------|--------------------------------|-------------------|-------------------|
| | Privilege Leave | Gratuity | Total | Privilege Leave | Gratuity | Total |
| Component of employer expense | | | | | | |
| Current Service Cost | 243.43 | 865.03 | 1,108.46 | 491.80 | 810.23 | 1,302.03 |
| Interest Cost | 107.26 | 243.50 | 350.76 | 124.67 | 179.86 | 304.53 |
| Actuarial losses/(gains) | 724.77 | 450.66 | 1,175.43 | 731.49 | (29.58) | 701.91 |
| Total expense/(credit) recognised in the Statement of Profit and Loss | 1,075.46 | 1,559.19 | 2,634.65 | 1,347.96 | 960.51 | 2,308.47 |
| Actual contribution and define payments | | | | | | |
| Present value of defined benefit obligation (DBO) | (2,554.96) | (4,917.86) | (7,472.82) | (1,479.50) | (3,358.67) | (4,838.17) |
| Net asset/(liability) recognised in balance sheet | (2,554.96) | (4,917.86) | (7,472.82) | (1,479.50) | (3,358.67) | (4,838.17) |
| Current | (385.19) | (1,202.45) | (1,587.64) | (357.42) | (737.34) | (1,094.76) |
| Non-Current | (973.84) | (3,715.41) | (4,689.25) | (1,122.08) | (2,621.33) | (3,743.41) |
| Total Asset/(liability) recognised in balance sheet | (2,554.96) | (4,917.86) | (7,472.82) | (1,479.50) | (3,358.67) | (4,838.17) |
| Change in defined benefit obligations | | | | | | |
| Present value of DBO at beginning of period | 1,479.50 | 3,358.67 | 4,838.17 | 1,662.30 | 2,398.16 | 4,060.46 |
| Current Service Cost | 243.43 | 865.03 | 1,108.46 | 491.80 | 810.23 | 1,302.03 |
| Interest Cost | 107.26 | 243.50 | 350.76 | 124.67 | 179.86 | 304.53 |
| Actuarial losses/(gains) | 724.77 | 450.66 | 1,175.43 | 731.49 | (29.58) | 701.91 |
| Benefits Paid | (1,195.93) | - | (1,195.93) | (1,530.76) | - | (1,530.76) |
| Present value of DBO at the end of the period | 1,359.03 | 4,917.86 | 6,276.89 | 1,479.50 | 3,358.67 | 4,838.17 |
| Actuarial Assumption | | | | | | |
| Discount rate | 7.00% | 7.00% | 7.00% | 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, 2025 | | | Year ended 31st March, 2024 | | |
|---|--------------------------------|------------|------------|--------------------------------|------------|------------|
| | Privilege Leave | Gratuity | Total | Privilege Leave | Gratuity | Total |
| Component of employer expense | | | | | | |
| Defined Benefit Obligation | (2,554.96) | (4,917.86) | (7,472.82) | (1,479.50) | (3,358.67) | (4,838.17) |
| Surplus/(Deficit) | (2,554.96) | (4,917.86) | (7,472.82) | (1,479.50) | (3,358.67) | (4,838.17) |
| 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-30. 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-31.

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-32.


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

Note-33.

The LLP is an MSME having Udyam Registration No. UDYAM-GJ-14-0001201 which is a level III Entity and has accordingly complied with the Accounting Standards as pronounced by the ICAI, in so far as they are applicable to the entities falling in Level III.

As per our report of even date attached.

For N.M. NAGRI & CO.
Chartered Accountants
(Firm Regn.No.: 106792W)

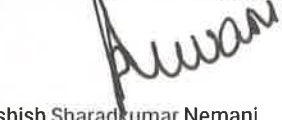


[N.M. NAGRI]
Proprietor
Membership No. 016992

PLACE : Ahmedabad
DATE : 25th April, 2025



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: 1269707


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

PLACE : Ahmedabad
DATE : 25th April, 2025