

PACKCART PACKAGING LLP

ANNUAL REPORT

F.Y. 2021-22

N. M. NAGRI & CO.

CHARTERED ACCOUNTANTS

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

INDEPENDENT AUDITOR'S REPORT

To the Partners of
PACKCART PACKAGING LLP

Opinion

We have audited the accompanying financial statements of **PACKCART PACKAGING LLP** (the "LLP"), which comprise the Balance Sheet at 31st March, 2022, the Statement of Profit & Loss and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Limited Liability Partnership Act, 2008 in the manner so required and give a true and fair view in conformity with the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) as amended from time to time and other accounting principles generally accepted in India, of the state of affairs (financial position) of the LLP as at 31st March, 2022, and profit (financial performance) and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by ICAI. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the LLP in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Limited Liability Partnership Act, 2008 and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management of the LLP is responsible for the preparation and fair presentation of the financial statements in accordance with the aforesaid Accounting Standards and Limited Liability Partnership Act, 2008, that give a true and fair view of the financial position, financial performance, and cash flows of the LLP in accordance with the accounting principles generally accepted in India, including the accounting standards applicable to the LLP. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Limited Liability Partnership Act, 2008 for safeguarding of the assets of the LLP and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the 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.



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In preparing the financial statements, management is responsible for assessing the LLP's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

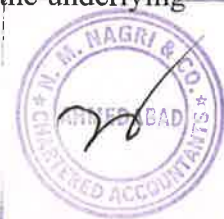
Those charged with governance are responsible for overseeing the LLP's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the LLP's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the LLP to cease to continue as a going concern.
- 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.



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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.

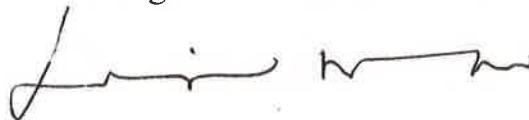
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, that we identify during our audit.

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.

For, N. M. NAGRI & CO.

Chartered Accountants

Firm Regn. No 106792W



[N. M. NAGRI]

PROPRIETOR

Membership No. 016992

UDIN: 22016992 AITRNM4949

Place: Ahmedabad

Date: 30th April, 2022



Packcart Packaging LLP

Balance Sheet as at 31st March, 2022

(Amt. in Rs.)

Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
CONTRIBUTIONS AND LIABILITIES			
PARTNERS' FUNDS			
(a) Contributions	4	1,78,00,000	1,78,00,000
(b) Reserves and Surplus	5	75,72,493	36,46,534
		2,53,72,493	2,14,46,534
LIABILITIES			
(1) Non-Current Liabilities			
(a) Other Non-Current Liabilities	6	11,07,869	12,56,709
(b) Deferred Tax Liabilities (Net)	7	11,68,679	10,60,818
(c) Provisions	8	7,29,459	7,02,079
		30,06,007	30,19,606
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Trade Payables			
-total outstanding dues of micro enterprises and small enterprises	9	25,31,040	28,48,232
-total outstanding dues of creditors other than micro enterprises and small enterprises		1,30,79,460	1,77,15,601
(ii) Other Financial Liabilities	10	23,34,862	15,95,974
(b) Other Current Liabilities	11	15,01,412	2,18,041
(c) Provisions	12	3,03,013	2,87,289
(d) Current Tax Liabilities	13	16,70,637	10,18,091
		2,14,20,424	2,36,83,228
Total Contributions and Liabilities		4,97,98,924	4,81,49,368
ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	14	1,29,13,425	1,43,36,422
(b) Capital Work-in-Progress	14	-	-
(c) Financial Assets			
(i) Other Financial Assets	15	10,17,114	10,17,114
(d) Other Non-Current Assets	16	20,000	20,000
		1,39,50,539	1,53,73,536
(2) Current Assets			
(a) Inventories	17	1,34,27,968	1,19,56,105
(b) Financial Assets			
(i) Trade Receivables	18	2,12,51,245	1,56,16,428
(ii) Cash and Cash Equivalents	19	11,04,823	23,17,339
(iii) Other Financial Assets	20	41,701	1,62,310
(c) Other Current Assets	21	22,648	27,23,650
		3,58,48,385	3,27,75,832
Total Assets		4,97,98,924	4,81,49,368

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

As per our report of even date attached.

For N.M. NAGRI & CO.

Chartered Accountants

(Firm Regn.No.: 106792W)





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

PLACE : Ahmedabad
DATE : 30th April, 2022

For and on behalf of Packcart Packaging LLP,



Mrs. Kinjal Bhatt
DIN: 07432578



Mr. Prem Chand Surana
Nominee of
CERA SANITRYWARE LTD.
DIN: 06508125

PLACE : Ahmedabad
DATE : 30th April, 2022



Packcart Packaging LLP

Statement of Profit and Loss for the year ended 31st March, 2022

(Amt. in Rs.)

Sr. No.	Particulars	Note No.	Year ended 31st March, 2022	Year ended 31st March, 2021
I	Revenue from Operations	22	16,90,29,488	9,98,40,069
II	Other Income	23	5,04,009	6,10,755
III	Total Income		16,95,33,497	10,04,50,824
IV	Expenses			
	Cost of Materials Consumed	24	10,88,20,827	6,16,21,104
	Purchase of Stock in Trade	25	77,02,924	9,11,504
	Changes in Inventories of Finished goods, Work -in- Progress and Stock in Trade	26	(9,31,942)	(6,22,337)
	Employee Benefits Expense	27	1,32,51,120	1,06,27,125
	Finance Costs	28	1,76,008	3,50,523
	Depreciation and Amortisation Expense	14	14,50,731	14,75,726
	Other Expenses	29	2,65,89,788	2,09,78,435
	Total Expenses		15,70,59,456	9,53,42,080
V	Profit / (Loss) before Tax		1,24,74,041	51,08,744
VI	Tax Expense :			
	(1) Current Tax	30	44,40,221	10,48,866
	(2) Deferred Tax	7	1,07,861	4,51,765
VII	Profit / (Loss) for the year		79,25,959	36,08,113

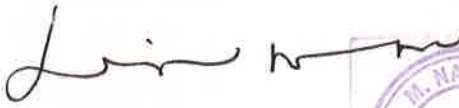

The accompanying Notes 1 to 39 are integral part of these Financial Statements.

As per our report of even date attached.

For **N.M. NAGRI & CO.**

Chartered Accountants

(Firm Regn.No.: 106792W)

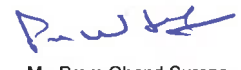



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 Membership No. 016992

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Packcart Packaging LLP

Cash Flow Statement for the year ended 31st March, 2022

Sr. No.	Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
(Amt. in Rs.)			
A.	Cash Flow from Operating Activities		
	Net Profit Before Tax	1,24,74,041	51,08,744
	Adjusted for:		
	Depreciation	14,50,731	14,75,726
	Finance Cost	1,76,008	3,50,523
	Deferred Income on Capital Subsidy (non Cash)	(1,48,840)	(1,48,840)
	Interest Subsidy Receivable (non Cash)	-	(1,17,634)
	Interest Income On Security Deposit (non Cash)	(28,696)	(28,696)
	Items pertaining to Previous year, unspent liabilities & provisions no longer required written back (Net)	(3,26,193)	(1,96,442)
	Provision for Gratuity	60,463	73,529
	Sub Total	11,83,473	14,08,166
	Operating Profit before Working Capital Change	1,36,57,514	65,16,910
	Adjustment for Change in Working Capital		
	(Inc) / Dec in Inventories	(14,71,863)	(23,19,974)
	(Inc) / Dec in Trade Receivables	(56,34,817)	(69,35,971)
	(Inc) / Dec in Other Financial Assets	1,49,305	6,27,531
	(Inc) / Dec in Other Assets	27,01,002	(24,38,966)
	Inc/(Dec) in Trade Payable	(49,53,333)	1,01,46,611
	Inc/(Dec) in Other Financial Liabilities	10,65,081	14,48,575
	Inc/(Dec) in Provisions	(17,359)	(3,867)
	Inc/(Dec) in Other Current Liabilities	12,83,371	(12,983)
	Sub Total	(68,78,613)	5,10,956
	Cash Generation from Operations	67,78,901	70,27,866
	Less: Direct Taxes Paid	(37,87,675)	(30,775)
	Net Cash from Operating Activities	29,91,226	69,97,091
B.	Cash Flow From Investing Activities		
	Purchase Of Property, Plant , Equipment	(27,734)	(51,928)
	Net Cash Used in Investing Activities	(27,734)	(51,928)
C.	Cash Flow from Financing Activities		
	Repayment of Long Term Borrowing	-	(46,66,667)
	Finance Cost	(1,76,008)	(3,50,523)
	Share Profit Paid to Partners	(40,00,000)	(10,00,000)
	Net Cash Used in Financing Activities	(41,76,008)	(60,17,190)
	Changes in Cash	(12,12,516)	9,27,973
	Opening Balance Cash and Cash Equivalents	23,17,339	13,89,366
	Closing Balance Cash and Cash Equivalents	11,04,823	23,17,339
	Notes to cash flow statement		
1	Components of cash and cash equivalents		
	Balances with banks	10,48,384	22,66,562
	Cash on hand	56,439	50,777
	Fixed Deposit with Bank	-	-
	Cash and cash equivalents considered In Cash Flow Statement	11,04,823	23,17,339

- 2 The above Cash Flow Statement has been prepared using the 'Indirect Method' as set out in Accounting Standard - 3 "Cash Flow Statement".
- 3 The accompanying Notes 1 to 39 are integral part of these Financial Statements.

As per our report of even date attached.

For N.M. NAGRI & CO.

Chartered Accountants

(Firm Regn.No.: 106792W)

[N.M. NAGRI]

Proprietor

Membership No. 016992

PLACE : Ahmedabad

DATE : 30th April, 2022



For and on behalf of Packcart Packaging LLP,

Kunj Bhatt
Mrs. Kunja Bhatt
DIN: 07432578

Prem Chand Surana
Mr. Prem Chand Surana
Nominee of
CERA SANITRYWARE LTD
DIN: 06508125

PLACE : Ahmedabad
DATE : 30th April, 2022



PACKCART PACKAGING LLP

Significant Accounting Policies & Practices

(Annexed to and forming part of Financial Statements for the year ended 31st March, 2022)

1) LLP Profile:

(a) **Packcart Packaging LLP** (hereinafter referred to as the LLP) (LLP Identification No. AAG-1067) was incorporated under the Limited Liability Partnership Act, 2008 by obtaining the Certificate of Incorporation dated 1st April 2016 issued by the Ministry of Corporate Affairs, Registrar, Ahmedabad. The Registered Office of the LLP is situated at Survey No.226, Kadi-Chhatral Road, Budasan, Kadi-382715, Dist. Mehsana, Gujarat. The LLP is engaged in the business of manufacturing of Corrugated Boxes and other packaging material. The LLP commenced its commercial production on and from 1st August, 2016.

(b) The LLP Agreement U/s 23(4) of LLP Act, 2008 was executed at Ahmedabad on 7th April 2016 and Addendum to the said agreement was executed at Ahmedabad on 24th June 2016 whereby Cera Sanitaryware Limited (CSL) became a partner of the LLP on 24th June 2016 having 51% share in capital contribution and in profit/loss. Thus the LLP became the subsidiary of CSL w.e.f. 24th June 2016. Shri P.C. Surana has been nominated by Cera Sanitaryware Limited as its nominee as designated partner in the LLP with effect from 24th June 2016. The LLP also entered into Joint Venture Agreement executed at Ahmedabad on 20th May 2016 with Cera Sanitaryware Limited (CERA) where both the LLP and CERA have agreed to put up a manufacturing plant to manufacture corrugated boxes and other packaging boxes having installed capacity of 300 MT p.m. which will be mainly used as packaging material by Cera Sanitaryware Limited.

2) Basis of Preparation of Financial Statements:

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



3) **Significant Accounting Policies:**

3.1 **Property, Plant and Equipment**

[a] **Tangible Assets**

[i] **Recognition and Measurement**

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

[ii] **Subsequent Expenditure**

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

[iii] **Derecognition**

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

[iv] **Depreciation/ Amortization**

Depreciation is calculated on cost of items of property plant and equipment (other than properties under construction) less their estimated residual values over their estimated useful lives using the straight line method in respect of plant and machinery and electric plant and installation 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. The residual values are not more than 5% of the original cost of the asset.

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

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

[b] **Capital work-in-progress**

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



3.2 Borrowing Costs

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

3.3 Operating Cycle

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

3.4 Current versus Non Current Classification

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

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

- *Expected to be realised or intended to be sold or consumed or settled in normal operating cycle
- *Held primarily for the purpose of trading.
- * Expected to be realised/ settled within twelve months after the reporting period, or
- * Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

- * There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

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

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

3.5 Inventories

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

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

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

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



3.6 Cash and Cash Equivalents

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

3.7 Cash Flow Statement

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

3.8 Provisions, Contingent Liabilities and Contingent Assets

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

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

Revenue from Sale of Goods

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

Interest and Other Income

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



3.10 Leases

A finance lease (also known as a capital lease or a sales lease) is a type of lease in which a LLP is typically the legal owner of the asset for the duration of the lease, while the lessee not only has operating control over the asset, but also has a substantial share of the economic risks and returns from the change in the valuation of the underlying asset.

If "substantially all the risks and rewards" of ownership are transferred to the lessee then it is a finance lease. If it is not a finance lease then it is an operating lease.

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term are classified as operating leases. Operating lease payments are recognised as an expense in the statement of Profit and Loss on a straight-line basis over the lease term.

3.11 Employee Benefits

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

Defined Contribution Plans

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

Defined Benefit Plans

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

Short-term Employee Benefits

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

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.



Long-term Employee Benefits

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

3.12 Taxes on Income

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

[i] 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.

[ii] Deferred Tax

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

3.13 Significant Judgments, Estimates and Assumptions

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

3.14 Government Grants

Government grants available to the LLP are recognised

(i) where there is reasonable assurance that the LLP will comply with the conditions attached to them; and



(ii) where such benefits have been earned by the LLP and it is reasonably certain that the ultimate collection will be made.

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

3.15 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.



Packcart Packaging LLP

Notes to Financial Statements as at 31st March, 2022

Note - 4. CONTRIBUTIONS

(Amt. in Rs.)

Sr. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
	Contributions from Partners:		
1	Cera Sanitaryware Ltd. (Nominee Shri P.C.Surana is a Designated Partner) (Share in Profit / Loss 51%)		
	Opening Balance	90,78,000	90,78,000
	Additions During the Year	-	-
	Total	90,78,000	90,78,000
2	Mrs. Kinjal Bhatt (Designated Partner) (Share in Profit / Loss 49%)		
	Opening Balance	87,22,000	87,22,000
	Additions During the Year	-	-
	Total	87,22,000	87,22,000
	Total	1,78,00,000	1,78,00,000

Note - 5. RESERVES AND SURPLUS

Sr. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
1	Statement of Profit and Loss		
	At the commencement of the year	36,46,534	11,32,735
	Add: Profit / (Loss) for the year	79,25,959	36,08,113
	Less: DTA effect of earlier years (Refer note No. 7)	-	(94,314)
	Less: Distribution of Profit to Partners	(40,00,000)	(10,00,000)
	At the end of the year	75,72,493	36,46,534

Note - 6. OTHER NON - CURRENT LIABILITIES

Sr. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
	Deferred Govt. Grant (Capital Subsidy)	11,07,869	12,56,709
	Total	11,07,869	12,56,709



Packcart Packaging LLP

Notes to Financial Statements As at 31st March, 2022

Note - 7. DEFERRED TAX ASSETS / LIABILITIES (NET)

(Amt. in Rs.)

Sr. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
1	Deferred Tax Assets		
	(Arising on account of timing difference)		
	(a) Provision for Leave Encashment	49,967	49,031
	(b) Provision for Gratuity	2,15,122	1,73,209
	(c) Deferred Govt. Grant	4,39,144	4,38,531
	Total Deferred Tax Assets (A)	7,04,233	6,60,771
2	Deferred Tax Liabilities		
	(Arising on account of timing difference)		
	Assets: Impact of difference between carrying value and tax base of Depreciable assets	18,72,912	17,21,589
	Total Deferred Tax Liabilities (B)	18,72,912	17,21,589
	Total (A - B)	(11,68,679)	(10,60,818)

Reconciliation of Deferred Tax Assets / Liabilities (Net):

Particulars	As at 31st March, 2022	As at 31st March, 2021
Opening Balance	(10,60,818)	(5,14,739)
Tax Income/(Expense) during the period recognised in Profit or Loss	(1,07,861)	(4,51,765)
Tax Income/(Expense) during the period recognised directly in Reserves and Surplus	-	(94,314)
Closing balance	(11,68,679)	(10,60,818)

Movements in DTA:

Particulars	Leave Encashment	Gratuity	Deferred Govt. Grant	Carry forward Loss	Unabsorbed Dep.	Others	Total
At 1st April, 2020	37,863	1,50,268	4,84,969	-	5,16,610	-	11,89,710
(Charged)/Credited:							
to Profit or Loss	11,168	22,941	(46,438)	-	(5,16,610)	94,314	(4,34,625)
to Reserves and Surplus	-	-	-	-	-	(94,314)	(94,314)
At 31st March, 2021	49,031	1,73,209	4,38,531	-	-	-	6,60,771
(Charged)/Credited:							
to Profit or Loss	936	41,913	613	-	-	-	43,462
to Reserves and Surplus	-	-	-	-	-	-	-
At 31st March, 2022	49,967	2,15,122	4,39,144	-	-	-	7,04,233

Movements in DTL:

Particulars	Assets : Impact of difference between Tax Depreciation and Depreciation / amortization charged for the financial reporting
At 1st April, 2020	17,04,449
(Charged)/Credited:	
to Profit or Loss	(17,140)
to Reserves and Surplus	-
At 31st March, 2021	17,21,589
(Charged)/Credited:	
to Profit or Loss	(1,51,323)
to Reserves and Surplus	-
At 31st March, 2022	18,72,912



Packcart Packaging LLP

Notes to Financial Statements as at 31st March, 2022

Note - 8. PROVISIONS: NON - CURRENT

(Amt. in Rs.)

Sr. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
	Non-Current Provisions		
	Provision for Employee Benefits		
	(a) Provision for Leave Encashment	1,34,634	1,48,220
	(b) Provision for Gratuity	5,94,825	5,53,859
	Total	7,29,459	7,02,079

Note - 9. TRADE PAYABLES

Sr. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
1	Dues of Micro Enterprises & Small Enterprises (Refer to Note No. 33)	25,31,040	28,48,232
2	Dues of Creditors Other than Micro Enterprises & Small Enterprises	1,30,79,460	1,77,15,601
	Total	1,56,10,500	2,05,63,833

Note - 10. OTHER FINANCIAL LIABILITIES: CURRENT

Sr. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
	Other Current Financial Liabilities		
1	Salary Payable to staff	3,74,368	5,13,529
2	Provision for Provident Fund Payable	90,483	91,855
3	Provision for ESIC	16,237	17,334
4	Expenses Payable	18,53,774	9,73,256
	Total	23,34,862	15,95,974

Note - 11. OTHER CURRENT LIABILITIES

Sr. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
	Other		
	(a) Statutory dues	13,52,572	69,201
	(b) Deferred Govt. Grant (Capital Subsidy)	1,48,840	1,48,840
	Total	15,01,412	2,18,041



Packcart Packaging LLP

Notes to Financial Statements as at 31st March, 2022

Note - 12. PROVISIONS: CURRENT

(Amt. in Rs.)

Sr. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
	Provision for Employee Benefits		
(a)	Provision for Exgratia	2,73,861	2,77,062
(b)	Provision for Leave Encashment	8,358	8,930
(c)	Provision for Gratuity	20,794	1,297
	Total	3,03,013	2,87,289

Note - 13. CURRENT TAX LIABILITIES

Sr. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
	Provision for Current Tax		
	Provision for tax (Net of Advance tax & TDS of Rs.27,69,584/-, PY Rs. 30,775/-)	16,70,637	10,18,091
	Total	16,70,637	10,18,091



Packcart Packaging LLP

Notes to Financial Statements as at 31st March, 2022

Note - 14. PROPERTY, PLANT , EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

(a) Property, Plant and Equipment

(Aml. in Rs.)

Sr. No.	Particulars	Own Buildings	Plant and Equipments	Electrical Installations	Furniture and Fixtures	Vehicles	Office Equipments	Computers	Lab Equipments	Total
1	Cost of Assets									
	As at 1st April, 2020	11,16,253	1,65,20,597	24,81,449	1,44,795	4,23,793	1,69,937	1,18,793	3,54,387	2,13,30,004
	Addition	-	51,928	-	-	-	-	-	-	51,928
	Disposal / Adjustments	-	-	-	-	-	-	-	-	-
	As at 31st March, 2021	11,16,253	1,65,72,525	24,81,449	1,44,795	4,23,793	1,69,937	1,18,793	3,54,387	2,13,81,932
	Addition	-	-	-	-	-	27,734	-	-	27,734
	Disposal / Adjustments	-	-	-	-	-	-	-	-	-
	As at 31st March, 2022	11,16,253	1,65,72,525	24,81,449	1,44,795	4,23,793	1,97,671	1,18,793	3,54,387	2,14,09,666
2	Depreciation / Amortisation									
	As at 1st April, 2020	3,32,770	36,82,816	8,51,197	82,070	2,48,009	1,24,320	1,12,854	1,35,748	55,69,784
	Charge for the year	74,430	10,47,899	2,35,738	16,239	54,897	20,561	-	25,962	14,75,726
	Disposal / Adjustments	-	-	-	-	-	-	-	-	-
	As at 31st March, 2021	4,07,200	47,30,715	10,86,935	98,309	3,02,906	1,44,881	1,12,854	1,61,710	70,45,510
	Charge for the year	67,360	10,49,043	2,35,738	12,036	37,753	22,839	-	25,962	14,50,731
	Disposal / Adjustments	-	-	-	-	-	-	-	-	-
	As at 31st March, 2022	4,74,560	57,79,758	13,22,673	1,10,345	3,40,659	1,67,720	1,12,854	1,87,672	84,96,241
3	Net Block									
	As at 31st March, 2021	7,09,053	1,18,41,810	13,94,514	46,486	1,20,887	25,056	5,939	1,92,677	1,43,36,422
	As at 31st March, 2022	6,41,693	1,07,92,767	11,58,776	34,450	83,134	29,951	5,939	1,66,715	1,29,13,425
(b)	Capital work-in-progress									
	As at 31st March, 2021									-
	As at 31st March, 2022									-

Notes:

- a. The amount of Contractual Commitments (Net of Advances) for the acquisition of Property, Plant and Equipment is Nil as on 31st March, 2022 and Nil as on 31st March, 2021.



Packcart Packaging LLP

Notes to Financial Statements as at 31st March, 2022

Note - 15. FINANCIAL ASSETS: NON - CURRENT

(Amt. in Rs.)

Sr. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
	Security Deposits - Unsecured, Considered Good	10,17,114	10,17,114
	Total	10,17,114	10,17,114



Packcart Packaging LLP

Notes to Financial Statements as at 31st March, 2022

Note - 16. OTHER NON-CURRENT ASSETS

(Amt. in Rs.)

Sr. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
1	Advances other than Capital Advances		
	Other Security Deposits	20,000	20,000
	Total	20,000	20,000

Note - 17. INVENTORIES

Sr. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
	As taken, valued & certified by the Management At Lower of Cost and Net Realisable Value		
1	Raw Materials	90,23,015	85,53,881
2	Work-in-Progress	24,12,072	16,69,690
3	Finished Goods	15,20,554	12,73,144
4	Stock-in-trade	-	57,850
5	Stores and Spares	4,72,327	4,01,540
	Total	1,34,27,968	1,19,56,105

Note - 18. TRADE RECEIVABLES - CURRENT

Sr. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
1	Trade Receivables considered good - Secured	-	-
2	Trade Receivables considered good - Unsecured	2,12,51,245	1,56,16,428
	Total	2,12,51,245	1,56,16,428

18.1 Debts due from Cera Sanitaryware Ltd. Rs. 1,45,87,930/-(31.03.2021: Rs. 78,80,168/-)

The LLP is a subsidiary of Cera Sanitaryware Ltd.

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

Note - 19. CASH & CASH EQUIVALENTS

Sr. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
1	Balances with banks in current accounts	10,48,384	22,66,562
2	Cash on hand	56,439	50,777
	Total	11,04,823	23,17,339



Packcart Packaging LLP

Notes to Financial Statements as at 31st March, 2022

Note - 20. OTHER FINANCIAL ASSETS: CURRENT

(Amt. in Rs.)

Sr. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
1	Interest receivable on Security Deposits	25,826	26,544
2	Other Advances		
	(i) TDS and TCS Receivable	15,875	18,132
	(ii) Government Grant Receivable (Interest Subsidy)	-	1,17,634
	Total	41,701	1,62,310

Note - 21. OTHER CURRENT ASSETS

Sr. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
	Advances other than Capital Advances		
	(i) Prepaid Expenses	22,648	20,159
	(ii) Balances with Tax Authorities (GST)	-	27,03,491
	Total	22,648	27,23,650



Packcart Packaging LLP

Notes to Financial Statements for the year ended 31st March, 2022

Note - 22. REVENUE FROM OPERATIONS

(Amt. in Rs.)

Sr. No.	Particulars	Year ended 31st March,2022	Year ended 31st March,2021
	Revenue from Operations		
	(a) Sale of products		
	(i) Domestic Sales (includes Sales to Related Parties (Refer Note No. 31))	16,86,37,147	9,98,40,069
	(b) Other Operating Revenue		
	(i) Cash Discount	3,92,341	-
	Total	16,90,29,488	9,98,40,069

Note - 23. OTHER INCOME

Sr. No.	Particulars	Year ended 31st March,2022	Year ended 31st March,2021
	(a) Interest Income:		
	(i) Interest Income On Security Deposit	28,696	28,696
	(ii) Interest Income On IT Refund	280	480
	(b) Other Non-Operating Income:		
	(i) Items pertaining to Previous year, unspent liabilities & provisions no longer required written back (Net)	3,26,193	1,96,442
	(ii) Interest Subsidy	-	2,36,297
	(iii) Deferred Income on Capital Subsidy	1,48,840	1,48,840
	Total	5,04,009	6,10,755

Note - 24. COST OF MATERIALS CONSUMED

Sr. No.	Particulars	Year ended 31st March,2022	Year ended 31st March,2021
	Opening Stock	85,53,881	62,58,982
Add:	Purchases	10,92,89,961	6,39,16,003
Less:	Closing Stock	90,23,015	85,53,881
	Total	10,88,20,827	6,16,21,104



Packcart Packaging LLP

Notes to Financial Statements for the year ended 31st March, 2022

Note - 25. Purchase of Stock in Trade

(Amt. in Rs.)

Sr. No.	Particulars	Year ended 31st March,2022	Year ended 31st March,2021
	Purchases	77,02,924	9,11,504
	Total	77,02,924	9,11,504

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

Sr. No.	Particulars	Year ended 31st March,2022	Year ended 31st March,2021
	Inventories at the end of the year:		
	Finished Goods	15,20,554	12,73,144
	Work in Progress	24,12,072	16,69,690
	Stock in Trade	-	57,850
	Total	39,32,626	30,00,684
	Inventories at the beginning of the year:		
	Finished Goods	12,73,144	13,74,748
	Work in Progress	16,69,690	9,45,749
	Stock in Trade	57,850	57,850
	Total	30,00,684	23,78,347
	Total	(9,31,942)	(6,22,337)

Note - 27. EMPLOYEE BENEFITS EXPENSE

Sr. No.	Particulars	Year ended 31st March,2022	Year ended 31st March,2021
1	Salaries and Wages	1,25,54,053	1,01,43,542
2	Contribution to Provident and other Funds * (Net of Employer's Contribution to PF under PMRPY and PMGKY Scheme of Central Govt. of India)	5,98,213	4,23,386
3	Staff Welfare Expenses	98,854	60,197
	Total	1,32,51,120	1,06,27,125

* 1) The Central Govt. of India has introduced Pradhan Mantri Rojgar Protsahan Yojna (PMRPY) to incentivize eligible employees, under which the Govt. will pay the full employer's contribution (both EPF and EPS) effective from 01-04-2018 for a period of three years. Accordingly, the LLP has less paid Rs.5,127/- (PY Rs. 46,868/-) during the year towards Employer's Contribution to PF.

2) The Central Govt. of India has introduced Pradhan Mantri Garib Kalyan Yojna (PMGKY) to incentivize eligible employees, under which the Govt. will pay the full employer's contribution (both EPF and EPS) effective from 01-04-2020 for a period of five months. Accordingly, the LLP has less paid Rs.2,26,891/- during the previous year.

Note - 28. FINANCE COSTS

Sr. No.	Particulars	Year ended 31st March,2022	Year ended 31st March,2021
	Interest Costs		
(a)	Interest on Term Loans	-	2,86,632
(b)	Interest on TDS / Income Tax	1,76,008	63,891
	Total	1,76,008	3,50,523



Packcart Packaging LLP

Notes to Financial Statements for the year ended 31st March, 2022

Note - 29. OTHER EXPENSES

(Amt. in Rs.)

Sr. No.	Particulars	Year ended 31st March,2022	Year ended 31st March,2021
	Consumption of Stores		
	Opening Stock	4,01,540	9,98,802
	Add: Purchases	66,83,550	45,95,975
	sub total	70,85,090	55,94,777
	Less : Closing Stock	4,72,327	4,01,540
		66,12,763	51,93,237
	Power and Fuel (Net)	22,57,895	15,61,135
	Repairs and Maintenance		
	- To Buildings	69,080	3,160
	- To Plant and Machineries	8,19,230	6,44,790
	- To Other Assets	14,134	3,460
	Rent Expenses	30,87,000	26,95,000
	Cleaning Charges	29,685	27,828
	Insurance Premium Expenses	88,579	76,187
	Printing and Lamination Expenses	1,01,09,674	83,21,366
	Freight Outward, Coolies and Cartages	7,93,935	4,82,901
	Rates and Taxes	2,400	2,400
	Payments to Auditors		
	- Statutory Audit fees	75,000	55,000
	- Tax Audit Fees	20,000	16,500
	- For Other Services	23,500	19,750
	Legal and Professional Consultancy Fees	82,720	87,785
	Retainership Expense	19,51,000	12,13,000
	Bank Charges	1,058	184
	Printing and Stationery Expenses	15,740	22,242
	Computer Expenses	10,101	3,540
	Vehicle Repairs and Maintenance	21,318	18,764
	Vehicle Expenses (Petrol and Diesel)	96,071	81,500
	Conveyance Expenses	17,770	21,240
	License Fees	-	12,600
	Office Expenses	5,158	2,060
	Garden Expenses	37,500	32,400
	Miscellaneous Expenses	3,48,477	3,80,406
	Total	2,65,89,788	2,09,78,435



Packcart Packaging LLP

Notes to Financial Statements for the year ended 31st March, 2022

Note - 30. CURRENT TAX

Sr. No.	Particulars	Year ended 31st March,2022	Year ended 31st March,2021
	Current Tax	44,40,221	10,48,866
	Total	44,40,221	10,48,866



Packcart Packaging LLP

Notes to Financial Statements for the year ended 31st March, 2022

Note - 31. RELATED PARTY DISCLOSURES

31.1 Details of related parties:

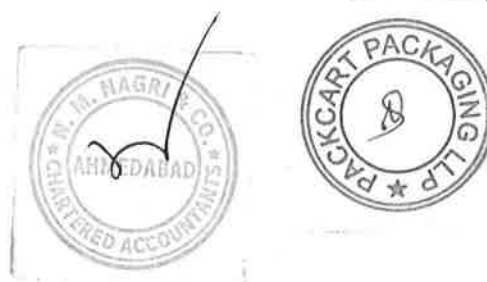
Description of relationship		
Sr. No.	Description of relationship	Names of related parties
1	Designated Partner	Shri P.C.Surana Nominee of Cera Sanitaryware Ltd
2	Designated Partner	Mrs. Kinjal Bhatt
3	Enterprise in which KMP / Relatives of KMP can exercise significant influence	i. Race Polymer Arts LLP ii. Goodluck Carriers LLP

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

Sr. No.	Transaction during the year ended	(Amt. in Rs.)	
		31st March, 2022	31st March, 2021
1	Sales of Corrugated Box		
	Cera Sanitaryware Ltd. (Parent Company)	13,45,10,286	6,81,90,257
	Race Polymer Arts LLP	3,29,22,902	2,65,88,975
2	Purchase		
	Cera Sanitaryware Ltd. (Parent Company)	82,320	12,781
3	Share of Profit Paid		
	Cera Sanitaryware Ltd. (Parent Company)	20,40,000	5,10,000
	Mrs. Kinjal Bhatt	19,60,000	4,90,000

Sr. No.	Balance Outstanding	As at	
		31st March, 2022	31st March, 2021
1	Trade Receivables		
	Cera Sanitaryware Ltd. (Parent Company)	1,45,87,930	78,80,168
	Race Polymer Arts LLP	48,86,596	62,41,570
2	Contributions from Partners		
	Cera Sanitaryware Ltd. (Parent Company)	90,78,000	90,78,000
	Mrs. Kinjal Bhatt	87,22,000	87,22,000

31.3 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.



Packcart Packaging LLP

Notes to Financial Statements for the year ended 31st March, 2022

Note-32.

Disclosure of Movement in Provisions during the year are as under:

Provisions, Contingent Liabilities and Contingent Assets :

(Amt. in Rs.)				
Particulars	Balance as on 01-04-2021	Provided during the year	Paid/Adjusted During the year	Balance as on 31-03-2022
Non-current provisions				
Accumulated leaves	1,48,220	-	13,586	1,34,634
Gratuity	5,53,859	40,966	-	5,94,825
Total	7,02,079	40,966	13,586	7,29,459
Current provisions				
Accumulated leaves	8,930	-	572	8,358
Gratuity	1,297	19,497	-	20,794
Exgratia	2,77,062	3,13,361	3,16,562	2,73,861
Total	2,87,289	3,32,858	3,17,134	3,03,013
Grand total	9,89,368	3,73,824	3,30,720	10,32,472

Note-33. DUES OF MICRO ENTERPRISES AND SMALL ENTERPRISES

The dues to 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:

(Amt. in Rs.)		
Particulars	31 March,2022	31 March,2021
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	25,31,040	28,48,232
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	-	-



Packcart Packaging LLP

Notes to Financial Statements for the year ended 31st March, 2022

Note-34. COMMITMENTS AND CONTINGENCIES

(a) Leases

The lease rentals charged during the period under cancellable operating leases are as under:

Particulars	As at 31st March, 2022	As at 31st March, 2021
Lease Rental Paid	30,87,000	26,95,000

(b) Contingent Liabilities

(Amt. in Rs.)

	31st March, 2022	31st March, 2021
Claims against the LLP not acknowledged as debt	48,000	48,000



Packcart Packaging LLP

Notes to Financial Statements for the year ended 31st March, 2022

Note-35. 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	Year ended 31st March, 2022	Year ended 31st March, 2021
Contribution to Provident fund included under contribution to provident and other funds	5,37,750	3,49,857

Defined Benefit Plans

The LLP offers the Gratuity benefits and Privilege Leave benefits (included as part of 'Employee Benefit Expense' in Note 27) 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, 2022			Year ended 31st March, 2021		
	Privilege Leave	Gratuity	Total	Privilege Leave	Gratuity	Total
Component of employer expense						
Current Service Cost	33,265	1,33,954	1,67,219	53,324	1,66,441	2,19,765
Interest Cost	11,000	38,861	49,861	8,192	32,510	40,702
Actuarial losses/(gains)	(58,423)	(1,12,352)	(1,70,775)	(25,722)	(1,25,422)	(1,51,144)
Total expense/(credit) recognised in the Statement of Profit and Loss	(14,158)	60,463	46,305	35,794	73,529	1,09,323
Actual contribution and define payments						
Present value of defined benefit obligation (DBO)	(1,42,992)	(6,15,619)	(7,58,611)	(1,57,150)	(5,55,156)	(7,12,306)
Net asset/(liability) recognised in balance sheet	(1,42,992)	(6,15,619)	(7,58,611)	(1,57,150)	(5,55,156)	(7,12,306)
Current	(8,358)	(20,794)	(29,152)	(8,930)	(1,297)	(10,227)
Non-Current	(1,34,634)	(5,94,825)	(7,29,459)	(1,48,220)	(5,53,859)	(7,02,079)
Total Asset/(liability) recognised in balance sheet	(1,42,992)	(6,15,619)	(7,58,611)	(1,57,150)	(5,55,156)	(7,12,306)
Change in defined benefit obligations						
Present value of DBO at beginning of period	1,57,150	5,55,156	7,12,306	1,21,356	4,81,627	6,02,983
Current Service Cost	33,265	1,33,954	1,67,219	53,324	1,66,441	2,19,765
Interest Cost	11,000	38,861	49,861	8,192	32,510	40,702
Actuarial losses/(gains)	(58,423)	(1,12,352)	(1,70,775)	(25,722)	(1,25,422)	(1,51,144)
Benefits Paid						
Present value of DBO at the end of the period	1,42,992	6,15,619	7,58,611	1,57,150	5,55,156	7,12,306
Actuarial Assumption						
Discount rate	7.00%	7.00%	7.00%	6.75%	6.75%	6.75%
Expected return on plan assets	NA	NA	NA	NA	NA	NA
Salary escalation	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
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, 2022			Year ended 31st March, 2021		
	Privilege Leave	Gratuity	Total	Privilege Leave	Gratuity	Total
Component of employer expense						
Defined Benefit Obligation	(1,42,992)	(6,15,619)	(7,58,611)	(1,57,150)	(5,55,156)	(7,12,306)
Surplus/(Deficit)	(1,42,992)	(6,15,619)	(7,58,611)	(1,57,150)	(5,55,156)	(7,12,306)
Experience adjustment on plan liabilities	(54,853)	(97,650)	(1,52,503)	(28,885)	(1,37,155)	(1,66,040)
Actuarial (gain)/loss from changes in financial assumptions	(3,570)	(14,702)	(18,272)	3,163	11,733	14,896

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-36. Segment Information

The LLP's operations comprise of only one segment viz., manufacturing of Corrugated Boxes and other packaging material. The LLP's operations are in India and therefore there are no secondary geographical segments.



Note-37.

During the year LLP has received Interest Subsidy of Rs. 1,17,634/- (Previous Year Rs. 6,95,781/-) against subsidy receivable as at 31.03.2021 of Rs. 1,17,634/- under the State Government Scheme for MSME. The LLP has followed the accounting treatment in respect of Government Grants in accordance with AS – 12 "Accounting for Government Grants".

Note-38.

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-39.

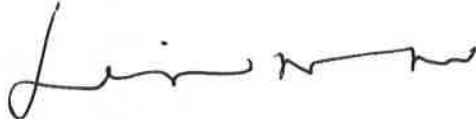
Previous period figures have been regrouped / re-classified / re-arranged wherever necessary to confirm to the current year's figures.

As per our report of even date attached.

For N.M. NAGRI & CO.

Chartered Accountants

(Firm Regn.No.: 106792W)



[N.M. NAGRI]

Proprietor

Membership No. 016992

PLACE : Ahmedabad

DATE : 30th April, 2022



For and on behalf of Packcart Packaging LLP,



Mrs. Kinjal Bhatt
DIN:07432578



Mr. Prem Chand Surana

Nominee of

CERA SANITRYWARE LTD.

DIN: 06508125

PLACE : Ahmedabad

DATE : 30th April, 2022

