



GUJARAT CRAFT INDUSTRIES LTD

CIN : L29199GJ1984PLC007130

Head Office & Works

431, Santej-Vadsar Road, Santej - 382 721, Tal.: Kalol, Dist.: Gandhinagar (Gujarat) INDIA
Ph. : +91 2764 286131, +91 2764 248339/42 | M. 9909950534 | Fax : +91 2764 248334

Ahmedabad Office

35, Omkar House, Nr Swastik Cross Roads, C G Rd Ahmedabad - 380 009 (Gujarat) INDIA
Ph. : +91 79 26449515 | Fax : +91 79 26425701

E-mail: info@gujaratcraft.com | Web: www.gujaratcraft.com

An ISO-9001 Certified Company

7th July, 2020

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai - 400 001

Company Code No. 526965

Dear Sir,

Sub: Outcome of Board Meeting and Submission of Audited Financial Results for the year ended on 31st March, 2020

We refer to our letter dated 2nd July, 2020 informing the date of Meeting of the Board of Directors of the Company.

Please note that the Board of Directors in their meeting held today i.e. on 7th July, 2020, have approved the Audited Financial Results for the financial year 2019-20 ended on 31st March, 2020.

Pursuant to Regulation 33 of SEBI (LODR) Regulations, 2015, we are enclosing herewith:

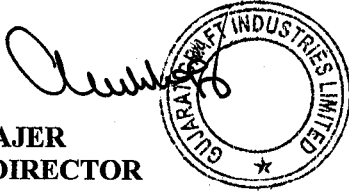
1. Statement of Audited Financial Results for the year ended on 31st March, 2020.
2. Auditors' Report on the Audited Financial Results
3. Statement on Impact of Audit Qualifications (for Audit Report with modified Opinion) with respect to Audited Financial Results for the year ended on 31st March, 2020.

Thanking you,

Yours faithfully,

For GUJARAT CRAFT INDUSTRIES LIMITED

ASHOK CHHAJER
MANAGING DIRECTOR
DIN: 00280185



Encl: As above



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STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER/ YEAR ENDED ON 31ST MARCH, 2020

(Rs. In lakh)

Particulars		Quarter ended on			Year ended on	
		31-03-2020	31-12-2019	31-03-2019	31-03-2020	31-03-2019
(Refer Notes Below)		(Unaudited) (Refer note 9)	(Unaudited)	(Unaudited) (Refer note 9)	(Audited)	(Audited)
1	Revenue from operations	3,422.85	3,749.86	3,516.21	14,308.62	13,952.08
2	Other income	1.11	0.91	1.73	12.42	11.14
3	Total Income (1+2)	3,423.96	3,750.77	3,517.94	14,321.04	13,963.22
4	Expenses					
	a. Cost of Materials consumed	2,363.10	2,318.68	2,266.75	8,954.78	9,628.83
	b. Purchases of stock-in-trade	219.21	148.76	92.67	659.00	410.08
	c. Changes in inventories of finished goods, work-in-progress and stock-in-trade	(164.26)	91.13	157.33	416.84	(191.98)
	d. Employee benefits expense	82.05	81.37	88.09	331.50	356.65
	e. Finance costs	69.10	74.20	98.48	334.06	416.52
	f. Depreciation & amortisation expense	51.39	53.19	44.37	209.68	177.52
	g. Other expenses	816.15	829.06	777.41	3,135.56	2996.38
	Total Expenses	3,436.74	3,596.39	3,525.10	14,041.42	13,794
5	Profit / (Loss) before exceptional items and tax (3-4)	(12.78)	154.38	(7.16)	279.62	169.22
6	Exceptional items	-	-	-	-	-
7	Profit / (Loss) before tax (5-6)	(12.78)	154.38	(7.16)	279.62	169.22
8	Tax expense:					
	Current tax	10.70	36.56	(1.69)	96.20	55.41
	Deferred tax	(6.45)	(27.00)	(5.35)	(34.01)	(11.37)
	Short Provision of Income Tax of earlier years	-	0.25	0.23	2.77	2.36
9	Profit (Loss) for the period from continuing operations (7-8)	(17.03)	144.57	(0.35)	214.66	122.82
10	Profit/(loss) from discontinuing operations before Tax	-	-	-	-	-
11	Tax expense of discontinuing operations	-	-	-	-	-
12	Profit/(loss) from Discontinuing operations (after tax) (10-11)	-	-	-	-	-
13	Profit / (Loss) for the period (9+12)	(17.03)	144.57	(0.35)	214.66	122.82

SIGNED FOR IDENTIFICATION BY

Arpit Patel

ARPIT PATEL & ASSOCIATES





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Particulars		Quarter ended on			Year ended on	
		31-03-2020	31-12-2019	31-03-2019	31-03-2020	31-03-2019
		(Unaudited) (Refer note 9)	(Unaudited)	(Unaudited) (Refer note 9)	(Audited)	(Audited)
14	Other Comprehensive Income					
	<i>Items that will not be reclassified subsequently to profit or loss</i>					
	Re-measurement of defined benefit plan	(1.45)	0.96	3.13	1.43	3.85
	Tax Expense on above mentioned item	0.36	(0.24)	(0.83)	(0.36)	(1.07)
	Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-
	<i>Items that will be reclassified subsequently to profit or loss</i>	-	-	-	-	-
	Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
	Other Comprehensive Income, net of tax	(1.09)	0.72	2.30	1.07	2.78
15	Total Comprehensive Income for the period (13+14)	(18.12)	145.29	1.95	215.73	125.60
16	Paid-up equity shares capital (Face Value per share Rs. 10/-)	488.83	488.83	488.83	488.83	488.83
17	Reserves excluding Revaluation Reserves				1,800.45	1,584.71
18	Earnings Per Share of Rs.10/- each (for continuing operations)					
	- Basic	(0.35)	2.96	(0.01)	4.39	2.51
	- Diluted	(0.35)	2.96	(0.01)	4.39	2.51
19	Earnings Per Share of Rs. 10/- each (for discontinued operations)					
	- Basic	-	-	-	-	-
	- Diluted	-	-	-	-	-
20	Earnings Per Share of Rs.10/- each (for discontinued & continuing operations)					
	- Basic	(0.35)	2.96	(0.01)	4.39	2.51
	- Diluted	(0.35)	2.96	(0.01)	4.39	2.51

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Arpit Patel

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AUDITED STATEMENT OF ASSETS AND LIABILITIES

(Rs. In lakh)

Sr.No.	Particulars	As at 31-03-2020 (Audited)	As at 31-03-2019 (Audited)
	ASSETS		
1	Non-Current Assets		
	Property, plant and equipment	3,584.89	3,699.53
	Right of use assets	34.36	-
	Capital work-in-progress	78.58	-
	Non-Current Financial Assets:		
	(i) Investments	3.80	3.80
	(ii) Other Financial Assets	0.52	0.52
	Other Non-Current Assets	3.63	12.28
	Total Non-Current Assets (i)	3,705.78	3,716.13
2	Current Assets		
	Inventories	2,037.49	2,565.34
	Current financial asset:		
	(i) Trade receivables	2,579.66	2,693.57
	(ii) Cash and cash equivalents	28.54	45.67
	(iii) Bank Balances other than (ii) above	42.03	60.93
	(vi) Other Current financial Assets	557.68	805.27
	Other Current Assets	14.81	4.96
	Total Current Assets (ii)	5,260.21	6,175.74
	TOTAL ASSETS (i) + (ii)	8,965.99	9,891.87
	EQUITY AND LIABILITIES		
1	Equity		
	Equity share capital	488.83	488.83
	Other Equity	3,255.18	3,039.43
	Total Equity (i)	3,744.01	3,528.26
2	Liabilities		
	Non-Current Liabilities		
	Non-Current financial Liabilities:		
	(i) Borrowings	1,084.37	1,234.08
	(ii) Other Non-Current financial Liabilities	7.72	-
	Provisions	24.94	23.81
	Deferred tax Liabilities (net)	517.46	551.48
	Total Non-Current Liabilities (ii)	1,634.49	1,809.37
	Current Liabilities		
	Current financial Liabilities:		
	(i) Borrowings	1,698.08	1,923.90
	(ii) Trade payables		
	(a) total outstanding dues of micro enterprises and small enterprises		
	(b) total outstanding dues of creditors other than micro enterprises and small enterprises	1,493.13	1,991.62
	(iii) Other Current financial Liabilities	126.73	230.87
	Other Current Liabilities	172.26	352.85
	Provisions	6.21	5.30
	Current tax Liabilities (Net)	91.08	49.70
	Total Current Liabilities (iii)	3,587.49	4,554.24
	Total Liabilities (ii) + (iii)	5,221.98	6,363.61
	TOTAL EQUITY AND LIABILITIES (i) + (ii) + (iii)	8,965.99	9,891.87

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Statement of Cash Flows for the period ended 31st March, 2020

(Rs. In lakh)

	March 31, 2020 (Audited)	March 31, 2019 (Audited)
Cash flow from operating activities		
Profit before tax from continuing operations	279.62	169.22
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation/amortization on continuing operation	209.68	177.52
Loss / (Profit) on sale of assets	-	9.31
Interest expense	334.06	416.52
Interest income	(5.42)	(11.14)
Operating profit before working capital changes	817.94	761.43
Movements in working capital :		
Increase/(decrease) in trade payables	(498.49)	(69.50)
Increase/(decrease) in other current financial liabilities	48.06	(8.70)
Increase/(decrease) in other non-current financial liabilities		
Increase/(decrease) in other current liabilities	(180.59)	17.44
Increase/(decrease) in short term provision	0.91	0.07
Increase/(decrease) in Long term provision	2.56	2.09
Decrease/(increase) in trade receivables	113.91	287.59
Decrease/(increase) in inventories	527.86	(175.10)
Decrease/(increase) in other current assets	(9.85)	(2.39)
Decrease / (increase) in other non-current Financial assets	-	0.11
Decrease / (increase) in other non-current assets	8.64	12.22
Decrease / (increase) in other current financial asset	242.21	317.71
Cash generated from / (used in) operations	1,073.16	1,142.97
Direct taxes paid (net of refunds)	(60.76)	(53.67)
Net cash flow from/ (used in) operating activities (A)	1,012.40	1,089.30
Cash flows from investing activities		
Purchase of fixed assets, including intangible assets, CWIP	(146.12)	(143.00)
Sale proceed / capital subsidy of Fixed assets	-	0.90
Proceeds from margin money deposit (Net)	18.90	30.30
Interest received	10.79	5.72
Net cash flow from/(used in) investing activities (B)	(116.43)	(106.08)
Cash flows from financing activities		
Repayment of long-term borrowings	(323.13)	(395.68)
Repayment of Short-term borrowings	(225.82)	(129.89)
Interest paid (including interest on lease obligation)	(338.70)	(423.23)
Payment of principal portion of lease obligation	(25.45)	-
Net cash flow from/(used in) in financing activities (C)	(913.10)	(948.80)
Net increase/(decrease) in cash and cash equivalents (A + B + C)	(17.13)	34.42
Cash and cash equivalents at the beginning of the year	45.67	11.25
Cash and cash equivalents at the end of the period	28.54	45.67

Note: The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) on cash flow statements notified under section 133 of The Companies Act 2013, read together with paragraph 7 of The Companies (Indian Accounting Standard) Rules 2015 (as amended).

SIGNED FOR IDENTIFICATION BY

Arpit Patel

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Notes:																					
1	The above financial results of the Company have been reviewed by the Audit Committee and approved by the Board of Directors of the Company in their respective meetings held on July 7, 2020.																				
2	The financial results are prepared in accordance with the Indian Accounting Standards ("Ind AS"), as applicable and guidelines issued by the Securities and Exchange Board of India ("SEBI"). The Ind AS are prescribed under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.																				
3	The Company has adopted Ind AS 116 "Leases" effective from April 1, 2019 for its lease contracts existing on that date by following the "prospective method" resulting into a recognition of Right of Use Asset of Rs 61.84 Lakhs and a Lease Liability of the equivalent amount. The impact of financial reporting of Ind AS 116 in the current quarter and for the year ended March 31, 2020 is not material. The Comparatives for the year ended March 31, 2019 have not been retrospectively adjusted.																				
4	The outbreak of COVID-19 pandemic globally and in India is causing significant disturbance and slowdown of economic activity. COVID-19 has caused interruption in production, supply chain disruption, unavailability of personnel, etc. during last week of March, 2020 and thereafter. The management of the Company has exercised due care in concluding significant accounting judgements and estimates in preparation of the financial results. In assessing the recoverability of Trade receivables, the Company has considered subsequent recoveries, past trends, credit risk profiles of the customers and internal and external information available up to the date of issuance of these financial results. In assessing the recoverability of inventories, the Company has considered the latest selling prices, customer orders on hand and margins. Based on the above assessment, the Company is of the view that the carrying amounts of Trade receivables and inventories are expected to be realizable to the extent shown in the financial results except Trade receivables mentioned in note no. 5. The impact of COVID-19 may be different from the estimates as at the date of approval of these financial results and the Company will continue to closely monitor any material changes to the future economic conditions.																				
5	<p>Unsecured Trade receivables :</p> <p>(a) includes Rs. 44.62 lakhs outstanding beyond one year and Rs. 115.06 lakhs outstanding beyond two year, which are being pursued for recovery by the company</p> <p>(b) includes Rs. 436.86 lakhs outstanding beyond two years against which the company has started legal proceedings</p> <p>Statutory auditor's report has been modified in respect of this matter.</p> <p>Management believes, the amount will be recovered over period of time and at this stage is not able to quantify the short fall, if any that may arise in the recovery.</p>																				
6	<p>Revenue from operations for the year ending March 31, 2020 includes Rs. 85.41 lakhs (Previous year : Rs. 171.92 lakhs) relating to Reimbursement of SGST which is recognized on receipt of "Eligibility Certificate" for application made under Gujarat Textile Policy 2012.</p> <p>Such income included in the respective period in "Revenue form operation" is as under :</p>																				
	<table border="1"> <thead> <tr> <th colspan="3"></th><th colspan="2">(Rs. In lakhs)</th></tr> <tr> <th colspan="3">Quarter ended on</th><th>Year ended on (Cumulative)</th><th>Previous Year ended on (Cumulative)</th></tr> <tr> <th>31/03/2020</th><th>31/12/2019</th><th>31/03/2019</th><th>31/03/2020</th><th>31/03/2019</th></tr> </thead> <tbody> <tr> <td>-</td><td>85.41</td><td>-</td><td>85.41</td><td>171.92</td></tr> </tbody> </table>				(Rs. In lakhs)		Quarter ended on			Year ended on (Cumulative)	Previous Year ended on (Cumulative)	31/03/2020	31/12/2019	31/03/2019	31/03/2020	31/03/2019	-	85.41	-	85.41	171.92
			(Rs. In lakhs)																		
Quarter ended on			Year ended on (Cumulative)	Previous Year ended on (Cumulative)																	
31/03/2020	31/12/2019	31/03/2019	31/03/2020	31/03/2019																	
-	85.41	-	85.41	171.92																	
7	The Company has adopted the option available under Section 115BAA of the Income-tax Act, 1961 as per the Taxation Laws (Amendment) Act, 2019 dated December 11, 2019. Accordingly, deferred tax liabilities have been recomputed and impact of this has been recognized in the year ended on March 31, 2020. This has resulted in reversal of deferred tax expense of Rs. 14.13 Lakhs on account of re-measurement of deferred tax liability as at April 1, 2019.																				
8	Segment reporting as defined in Ind AS 108 is not applicable as company only operate under one segment i.e. Plastic Packing Material. Hence segment reporting is not given.																				
9	The figures for the last quarter are the balancing figures between audited figures in respect of the full financial year up to March 31, 2020 and unaudited published year-to-date figures up to December 31, 2019, being the date of the end of the third quarter of the financial year which were subjected to limited review.																				
10	Previous period figures have been regrouped/reclassified, wherever necessary, to conform to current period's classification.																				

ARPIT

ARPIT PATEL & ASSOCIATES

FOR GUJARAT CRAFT INDUSTRIES LIMITED

ASHOK CHHAJER
MANAGING DIRECTOR

Independent Auditor's Report

To
The Board of Directors of
Gujarat Craft Industries Limited.

Report on the audit of the annual financial results

Qualified Opinion

We have audited the accompanying statement of year to date annual financial results of Gujarat Craft Industries Limited (the "Company"), for the year ended March 31, 2020 (the "Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, except for the effect of the matters described in "Basis for Qualified Opinion" section of our report, the aforesaid annual financial results:

- is presented in accordance with the requirements of Regulation 33 and 52 of the Listing Regulations in this regard; and
- gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net profit, other comprehensive income, and other financial information of the Company for the year ended March 31, 2020.

Basis for Qualified Opinion

We draw attention to Note 5 of the Statement, regarding the Management's contention about the recoverability of the Trade Receivables mentioned therein. We have not been able to substantiate the Management's contention regarding the carrying value of Trade Receivables aggregating to INR 596.54 lakh. Accordingly, we are unable to comment on the appropriateness of the carrying value of such Trade Receivables and their consequential impact on the financial results and the financial position of the Company as at and for the year ended March 31, 2020.

Our audit report for the previous year ended March 31, 2019 and our review report for the quarter ended June 30, 2019, September 30, 2019 and December 31, 2019 were also qualified in respect of this matter.

We conducted our audit of the Statement in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the annual financial results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.



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Emphasis of Matter

We draw attention to Note 4 of the Statement which describes the Management's evaluation of COVID-19 impact on the future performance of the Company. Our opinion is not modified in respect of this matter.

Management and Board of Director's Responsibilities for the annual financial results

The Statement has been prepared on the basis of the annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income of the Company and other financial information in accordance with the applicable accounting standards prescribed under section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and 52 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company 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 the 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 Statement, that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors are responsible for assessing the Company'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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the annual financial results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 the Statement.

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 Statement, 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. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 ability of the Company 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 Statement 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

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.

Other Matters

The Statement includes the results for the quarter ended March 31, 2020 being the balancing figures between the audited figures in respect of full financial year ended March 31, 2020 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review, as required under the Listing Regulations.

For Arpit Patel & Associates

Chartered Accountants

ICAI Firm registration number: 144032W



Arpit K. Patel

Partner

Membership No.: 034032

Place: Ahmedabad

Date: July 7, 2020

UDIN: 20034032AAAABW5481





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An ISO-9001 Certified Company

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2020 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I	Sr. No.	Particulars	Audited Figures (as reported before adjusting for qualification)	Audited Figures (as reported after adjusting for qualification)
	1	Turnover/ Total Income	14,321.04	Not Ascertainable [Refer note II(E)(ii)]
	2	Total Expenditure	14,041.42	Not Ascertainable [Refer note II(E)(ii)]
	3	Net Profit/ (Loss)	214.66	Not Ascertainable [Refer note II(E)(ii)]
	4	Earnings per Share	4.39	Not Ascertainable [Refer note II(E)(ii)]
	5	Total Assets	8,965.99	Not Ascertainable [Refer note II(E)(ii)]
	6	Total Liabilities	5,221.98	Not Ascertainable [Refer note II(E)(ii)]
	7	Net Worth	3,744.01	Not Ascertainable [Refer note II(E)(ii)]
	8	Any other financial item(s) (as felt appropriate by Management)		
II	Audit Qualification (each Audit Qualification separately)			
	A	Details of Audit Qualification:	Qualified Opinion We have audited the accompanying statement of year to date annual financial results of Gujarat Craft Industries Limited (the "Company"), for the year ended March 31, 2020 (the "Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"). In our opinion and to the best of our information and according to the explanations given to us, except for the effect of the matters described in "Basis for Qualified Opinion" section of our report, the aforesaid annual financial results: Is presented in accordance with the requirements of Regulation 33 and 52 of the Listing Regulations in this regard; and gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net profit, other comprehensive income, and other financial information of the Company for the year ended March 31, 2020. Basis for Qualified Opinion We draw attention to Note 5 of the Statement, regarding the Management's contention about the recoverability of the Trade Receivables mentioned therein. We have not been able to substantiate the Management's contention regarding the carrying value of Trade Receivables aggregating to INR 596.54 lakh. Accordingly, we are unable to comment on the appropriateness of the carrying value of such Trade Receivables and their consequential impact, if any on the financial results and the financial position of the Company as at and for the year ended March 31, 2020. Our audit report for the previous year ended March 31, 2019 and our review report for the quarter ended, June 30, 2019, September 30, 2019 and December 31, 2019 were also qualified in respect of	





GUJARAT CRAFT INDUSTRIES LTD

CIN : L29199GJ1984PLC007130

Head Office & Works

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		this matter.
b	Type of Audit Qualification:	Qualified Opinion
C	Frequency of qualification:	Qualification has also been included during the year ended 31 st March, 2019.
D	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	-
E	For Audit Qualification(s) where the impact is not quantified by the auditor:	-
	(i) Management's estimation on the impact of audit qualification:	-
	(ii) If management is unable to estimate the impact, reasons for the same:	No major impact. Considering nature of this industry and as per past experience, such delay / late recovery from receivables have been observed in earlier years also, however, management has made provision wherever required. No major write off happened in past. Management is considering that all receivables are good of recovery.
	(iii) Auditors' Comments on (i) or (ii) above:	Included in details of auditor's qualification stated above. [Please refer note II(A)]
III	Signatories	
	CEO/Managing Director	
	CFO	
	Audit Committee Chairman	
	Statutory Auditor ARPIT PATEL ASSOCIATES	 mno: 34032

144032W

Place: Ahmedabad

Date: 7th July, 2020