

Arex Industries Ltd. (CIN: L99999GJ1989PLC012213)

MANUFACTURERS OF GARMENT LABELS

Plant & Regd. Office : 612, G.I.D.C. Estate, Chhatral, Tal. Kalol, Dist. Gandhinagar 382 729, Gujarat, INDIA.
Phone : +91 2764 233437 Fax : +91 2764 233635 E-mail : mail@arex.in



Ref: AIL/BSE-33/2106/591

June 28, 2021

To,
The Manager
Department of Corporate Services
BSE Limited
25th Floor, P. J. Towers
Dalal Street
Mumbai – 400 001

Sub.: Approval of Audited Financial Results of the Company for the Quarter and year ended on 31st March, 2021
Outcome of the Board Meeting held on 28th June, 2021

Dear Sir/Madam,

1. We hereby inform you that the Board of Directors of the Company, at its meeting held on 28th June, 2021, approved the Standalone Audited Financial Results of the Company for the year ended on 31st March, 2021.
2. Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the following:
 - Standalone Audited Financial Results of the Company for the year ended on 31st March, 2021.
 - Audited Statement of Assets & Liabilities as at 31st March, 2021.
 - Cash Flow Statement for the year ended on 31st March, 2021.
 - Auditors Report on Audited Financial Results – Standalone.

Further as per the SEBI circular dated 25th May, 2016 bearing no. SEBI/LAD-NRO/GN/2016-17/001, the Company hereby declares that the audit reports of the company are with unmodified opinion(s).

The meeting of the Board of Directors of the Company commenced at 03.00 p.m. and concluded at 04.25 p.m.

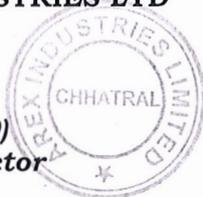
Kindly take note of the same and oblige.

Thanking you,

Yours faithfully,

For **AREX INDUSTRIES LTD**

Neel Bilgi
(DIN: 00096180)
Managing Director



Encl.: As Above

We weave brands

AREX INDUSTRIES LIMITED

612, GIDC ESTATE, PHASE - I, CHHATRAL, DIST. GANDHINAGAR, GUJARAT

Statement of Standalone Audited Financial Results

For the Quarter and Year ended on 31st March, 2021

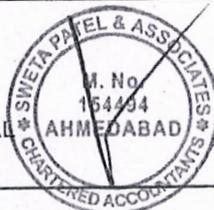
(Rs. in Lakhs)

| Sr. No. | Particulars | Quarter Ended | | | Year Ended | |
|-----------|---|--------------------|----------------------|--------------------|--------------------|--------------------|
| | | 31/03/2021 Audited | 31/12/2020 Unaudited | 31/03/2020 Audited | 31/03/2021 Audited | 31/03/2020 Audited |
| 1 | Income | | | | | |
| | (a) Revenue from operations | 1461.57 | 1197.09 | 1049.58 | 4087.78 | 4716.75 |
| | (b) Other Income | 4.16 | (0.03) | 8.18 | 4.15 | 11.30 |
| | Total Income | 1465.73 | 1197.06 | 1057.76 | 4091.93 | 4728.04 |
| 2 | Expenses | | | | | |
| | (a) Cost of materials consumed | 533.50 | 351.36 | 279.32 | 1370.07 | 1390.04 |
| | (b) Purchases of Stock-in-Trade | 19.32 | 9.68 | 11.25 | 38.71 | 36.05 |
| | (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | (21.20) | 15.86 | 32.14 | (60.43) | (32.59) |
| | (d) Employee benefits expense | 338.19 | 399.18 | 355.79 | 1160.27 | 1418.32 |
| | (e) Finance costs | 62.34 | 87.42 | 67.22 | 298.48 | 312.84 |
| | (f) Depreciation and amortisation expense | 119.86 | 119.34 | 124.08 | 476.38 | 485.08 |
| | (g) Other expenses | 241.06 | 303.35 | 169.81 | 889.23 | 973.78 |
| | Total expenses | 1293.07 | 1286.19 | 1039.61 | 4172.73 | 4583.50 |
| 3 | Profit before exceptional and extraordinary items and tax (1-2) | 172.66 | (89.13) | 18.15 | (80.80) | 144.54 |
| 4 | Exceptional items | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5 | Profit before extraordinary items and tax (3 - 4) | 172.66 | (89.13) | 18.15 | (80.80) | 144.54 |
| 6 | Extraordinary items | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 7 | Profit before tax (5-6) | 172.66 | (89.13) | 18.15 | (80.80) | 144.54 |
| 8 | Tax expense: | | | | | |
| | (1) Current tax | 0.00 | 0.00 | (2.02) | 0.00 | 24.00 |
| | (2) Deferred tax | 9.14 | 3.50 | (52.90) | 19.67 | 32.25 |
| 9 | Profit/(Loss) for the period (7-8) | 163.52 | (92.63) | 73.07 | (100.47) | 88.29 |
| 10 | Other Comprehensive Income (After Tax) | | | | | |
| | Items that will not be reclassified to Profit or Loss:- | | | | | |
| | Equity instruments through Other Comprehensive Income | 0.90 | 1.31 | 0.00 | 0.90 | 0.00 |
| 11 | Total Comprehensive Income (9+10) | 164.42 | (91.32) | 73.07 | (99.56) | 88.29 |
| 12 | Paid-up - Equity Share Capital [Face Value Rs. 10/- each] | 395.87 | 395.87 | 395.87 | 395.87 | 395.87 |
| 13 | Earnings per equity share (of 10/- each) (not annualised) | | | | | |
| | (a) Basic | 4.13 | (2.34) | 1.85 | (2.54) | 2.23 |
| | (b) Diluted | 4.13 | (2.34) | 1.85 | (2.54) | 2.23 |

NOTES:-

- 1 The Financial Results have been prepared in accordance with Indian Accounting Standards ("Ind-AS") prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations & Disclosure requirements) Regulations 2015.
- 2 The above results have been reviewed by the Audit Committee and taken on record by the Board of Directors at their meetings held on 28-06-2021.
- 3 The Performance of the Company for the year ended on 31.03.2021 has been affected due to Covid-19 Pandemic.
- 4 The Figure for the corresponding period have been regrouped/reclassified where ever necessary to make them comparable.
- 5 The Company does not have more than one reportable segment. Accordingly segmental information is not required to be provided.
- 6 The figures for the quarter ended 31st March 2021 and 31st March 2020 are the balancing figures between audited figures in respect of the full financial year & the year to date figures upto the third quarter of the respective financial year.

Place: CHHATRAL
Date: 28-06-2021

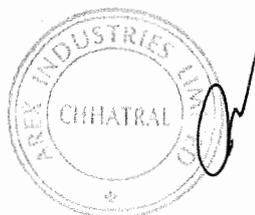


FOR AREX INDUSTRIES LIMITED
(Signature)
DINESH BILGI
MANAGING DIRECTOR

AREX INDUSTRIES LIMITED

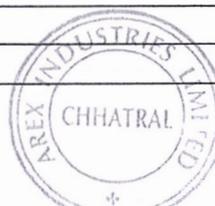
Balance Sheet as at 31st March 2021

| Particulars | As at | As at |
|--|-----------------|-----------------|
| | 31st March 2021 | 31st March 2020 |
| | Rupees in Lacs | Rupees in Lacs |
| ASSETS | | |
| Non-current assets | | |
| Property Plant and Equipments | 3941.02 | 4320.65 |
| Other Intangible assets | 0.25 | 0.61 |
| Financial assets | | |
| Investments | 100.90 | 0.00 |
| Other non current financial assets | 87.97 | 77.70 |
| Income tax assets (net) | 33.93 | 39.13 |
| Total Non-current assets | 4164.07 | 4438.09 |
| Current assets | | |
| Inventories | 830.73 | 758.87 |
| Financial assets | | |
| Trade Receivables | 1155.95 | 1067.66 |
| Cash and cash equivalents | 3.67 | 6.17 |
| Bank balances other than Cash and cash equivalents above | 36.48 | 39.43 |
| Other current assets | 75.29 | 107.45 |
| Total Current assets | 2102.12 | 1979.58 |
| TOTAL ASSETS | 6266.19 | 6417.67 |
| EQUITY AND LIABILITIES | | |
| EQUITY | | |
| Equity share capital | 395.87 | 395.87 |
| Other Equity | 2069.53 | 2169.09 |
| Total Equity | 2465.40 | 2564.96 |
| LIABILITIES | | |
| Non-current liabilities | | |
| Financial liabilities | | |
| Non current Borrowings | 2515.77 | 2633.51 |
| Deferred tax liabilities (net) | 144.98 | 125.31 |
| Total Non-current liabilities | 2660.75 | 2758.82 |
| Current liabilities | | |
| Financial liabilities | | |
| Current Borrowings | 129.54 | 278.19 |
| Trade payables | 396.80 | 382.87 |
| Other current financial liabilities | 522.37 | 361.81 |
| Other current liabilities | 91.33 | 71.03 |
| Total Current liabilities | 1140.03 | 1093.90 |
| TOTAL EQUITY AND LIABILITIES | 6266.19 | 6417.67 |



AREX INDUSTRIES LIMITED

| | As at 31st March 2021 | As at 31st March 2020 |
|--|--------------------------------|--------------------------------|
| | Rupees (in lacs) | Rupees (in lacs) |
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit Before Tax | (80.80) | 144.54 |
| Depreciation and Amortisation Expenses | 476.38 | 485.08 |
| Finance Costs | 298.48 | 312.84 |
| Loss / (Profit) on sale of Assets | (3.60) | (3.70) |
| Movement in Other comprehensive income | 0.00 | 0.00 |
| Other Income | (4.15) | (11.30) |
| Operating Profit before Working Capital Changes | 686.31 | 927.44 |
| Trade Receivables | (88.29) | (17.81) |
| Inventories | (71.85) | (165.09) |
| Other non-current & current assets | 21.89 | 210.59 |
| Trade and Other Payables | 194.80 | 51.46 |
| Cash generated from Operations | 742.86 | 1,006.61 |
| Direct Tax | 5.20 | (27.86) |
| Net Cash Flow from Operating Activities (A) | 748.06 | 978.75 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of Property, Plant & Equipment | -103.54 | (170.75) |
| Sale of Property, Plant & Equipment | 10.74 | 3.71 |
| Other Bank balances | 2.95 | (3.46) |
| Purchase of Investment in Mutual Fund | -457.00 | 0.00 |
| Movement in Capital work in progress | 0.00 | 0.00 |
| Proceeds from sale of Investment in Mutual Fund | 357.71 | 1.91 |
| Other Income | 3.44 | 11.30 |
| Net Cash Used in Investing Activities (B) | (185.69) | (157.29) |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Dividend & distribution tax paid | 0.00 | (95.45) |
| Long-term borrowings Raised / (Repaid) | (117.74) | (349.55) |
| Shor-term borrowings Raised / (Repaid) | (148.65) | (61.20) |
| Finance Costs paid | (298.48) | (312.84) |
| Net Cash Used in Financing Activity (C) | (564.87) | (819.04) |
| Net Increase in Cash & Cash Equivalents (D = A+B+C) | (2.49) | 2.42 |
| Opening Cash & Cash Equivalents | 6.18 | 3.75 |
| Closing Cash & Cash Equivalents | 3.67 | 6.18 |



statements, which are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. The Company's Board of Directors are responsible for the preparation and presentation of these standalone financial results that give a true and fair view of the net loss and other comprehensive income and other financial information in accordance with the applicable Indian 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 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial results, 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.

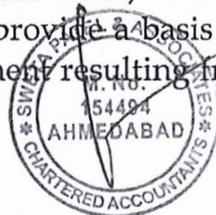
The Board of Directors are also responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone financial results 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 standalone financial results.

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

- Identify and assess the risks of material misstatement of the standalone financial results, 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.

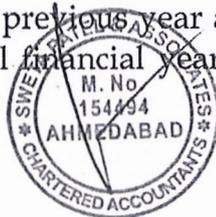
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with 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 financial results 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 standalone financial results, including the disclosures, and whether the standalone financial results represent 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 Matter

The statement includes the results for the Quarter ended 31st March 2021 and the corresponding quarter ended in the previous year are the balancing figure between audited figures in respect of the full financial year and the published year to date



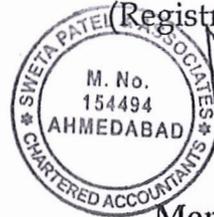
figures up to the end of the third quarter of the relevant financial year. Also, the figures up to the end of third quarter were subject to limited review.

For **SWETA PATEL & ASSOCIATES**

Chartered Accountants

(Registration No. 139165W)

Place : Chhatral
Date : 28-06-2021



(**Hemang V. Patel**)

Partner

Membership No.154494

UDIN:- 21154494AAAABG4871