

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-33/2305/650

May 27, 2023

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, 2023
Outcome of the Board Meeting held on 27th May, 2023

Dear Sir/Madam,

1. We hereby inform you that the Board of Directors of the Company, at its meeting held on 27th May, 2023, approved the Standalone Audited Financial Results of the Company for the year ended on 31st March, 2023.
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, 2023.
 - Audited Statement of Assets & Liabilities as at 31st March, 2023.
 - Cash Flow Statement for the year ended on 31st March, 2023.
 - 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 04.40 p.m.

Kindly take note of the same and oblige.

Thanking you,

Yours faithfully,

For **AREX INDUSTRIES LTD**

NEEL DINESH
BILGI

Digital signed by NEEL DINESH
BILGI
Date: 2023.05.27 16:10:44 +05'30'

Neel Bilgi
(DIN: 00096180)
Managing Director

Encl.: As Above

We weave brands

AREX INDUSTRIES LIMITED

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

CIN - L99999GJ1989PLC012213 Phone : +91 2764 233636 E-mail : mail@arex.in Website : www.arex.co.in

Statement of Standalone Audited Financial Results

For the Quarter and Year ended on 31st March, 2023

(Rs. in Lakhs)

Sr. No.	Particulars	Quarter Ended			Year Ended	
		31/03/2023 Audited	31/12/2022 Unaudited	31/03/2022 Audited	31/03/2023 Audited	31/03/2022 Audited
1	Income					
	(a) Revenue from operations	1086.57	1118.64	1306.94	4502.12	5375.32
	(b) Other Income	6.95	2.43	6.81	13.41	6.30
	Total Income	1093.52	1121.07	1313.75	4515.53	5381.62
2	Expenses					
	(a) Cost of materials consumed	393.16	297.75	407.93	1354.01	1564.75
	(b) Purchases of Stock-in-Trade	4.68	5.22	13.79	21.98	34.71
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	6.62	14.67	(53.32)	6.53	(60.06)
	(d) Employee benefits expense	300.37	351.94	400.86	1364.65	1529.39
	(e) Finance costs	36.38	45.19	44.63	181.37	210.63
	(f) Depreciation and amortisation expense	100.41	108.00	114.42	423.41	449.42
	(g) Other expenses	234.66	256.53	297.38	1062.58	1187.70
	Total expenses	1076.28	1079.31	1225.69	4414.53	4916.54
3	Profit before exceptional and extraordinary items and tax (1-2)	17.23	41.77	88.06	100.99	465.08
4	Exceptional items	0.00	0.00	0.00	0.00	0.00
5	Profit before extraordinary items and tax (3 - 4)	17.23	41.77	88.06	100.99	465.08
6	Extraordinary items	0.00	0.00	0.00	0.00	0.00
7	Profit before tax (5-6)	17.23	41.77	88.06	100.99	465.08
8	Tax expense:					
	(1) Current tax	(10.00)	7.00	14.76	17.00	77.76
	(2) Deferred tax	10.43	5.28	6.63	13.91	17.52
9	Profit(Loss) for the period (7-8)	16.80	29.49	66.67	70.08	369.79
10	Other Comprehensive Income (After Tax)					
	Items that will not be reclassified to Profit or Loss:-					
	Equity instruments through Other Comprehensive Income	0.00	0.00	1.48	0.00	1.48
11	Total Comprehensive Income (9+10)	16.80	29.49	68.15	70.08	371.27
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	0.42	0.74	1.68	1.77	9.34
	(b) Diluted	0.42	0.74	1.68	1.77	9.34

NOTES:-

- 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.
- The above results have been reviewed by the Audit Committee and taken on record by the Board of Directors at their meetings held on 27-05-2023.
- The Figure for the corresponding period have been regrouped/reclassified where ever necessary to make them comparable.
- The Company does not have more than one reportable segment. Accordingly segmental information is not required to be provided.
- The figures for the quarter ended 31st March 2023 and 31st March 2022 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: 27-05-2023



FOR AREX INDUSTRIES LIMITED

(Signature)
DINESH BILGI

MANAGING DIRECTOR

DIN - 00096099

AREX INDUSTRIES LIMITED

Balance Sheet as at 31st March 2023

Particulars	As at 31st March 2023	As at 31st March 2022
	Rupees in Lacs	Rupees in Lacs
ASSETS		
Non-current assets		
Property Plant and Equipments	3338.54	3614.07
Capital Work in progress	0.00	48.53
Other Intangible assets	0.02	0.03
Financial assets		
Other non current financial assets	84.99	84.28
Income tax assets (net)	28.17	64.87
Total Non-current assets	3451.72	3811.78
Current assets		
Inventories	889.26	965.42
Financial assets		
Trade Receivables	814.47	944.02
Cash and cash equivalents	5.15	4.74
Bank balances other than Cash and cash equivalents above	30.07	33.32
Other current assets	78.76	86.14
Total Current assets	1817.70	2033.64
TOTAL ASSETS	5269.42	5845.42
EQUITY AND LIABILITIES		
EQUITY		
Equity share capital	395.87	395.87
Other Equity	2510.88	2440.80
Total Equity	2906.75	2836.67
LIABILITIES		
Non-current liabilities		
Financial liabilities		
Non current Borrowings	1137.58	1614.84
Deferred tax liabilities (net)	176.41	162.50
Total Non-current liabilities	1313.99	1777.34
Current liabilities		
Financial liabilities		
Current Borrowings	637.43	717.27
Trade payables	312.91	388.46
Other current financial liabilities	49.87	45.20
Other current liabilities	48.46	80.50
Total Current liabilities	1048.68	1231.42
TOTAL EQUITY AND LIABILITIES	5269.42	5845.42



W

AREX INDUSTRIES LIMITED

Particular	As at 31st March 2023	As at 31st March 2022
	Rupees (in lacs)	Rupees (in lacs)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax	100.99	465.08
Depreciation and Amortisation Expenses	423.41	449.42
Finance Costs	181.37	210.63
Loss / (Profit) on sale of Assets	(9.52)	1.52
Other Income	(13.41)	(6.30)
Operating Profit before Working Capital Changes	682.85	1,120.34
Trade Receivables	129.56	211.92
Inventories	76.17	(134.70)
Other non-current & current assets	6.67	(7.16)
Trade and Other Payables	(102.90)	(35.60)
Cash generated from Operations	792.34	1,154.81
Direct Tax	19.70	(108.71)
Net Cash Flow from Operating Activities (A)	812.04	1,046.10
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment	(149.06)	(124.79)
Sale of Property, Plant & Equipment	10.7	1.02
Other Bank balances	3.25	3.16
Movement in Capital work in progress	48.53	(48.53)
Proceeds from sale of Investment in Mutual Fund	0.00	102.38
Other Income	13.41	6.30
Net Cash Used in Investing Activities (B)	(73.17)	(60.45)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Long-term borrowings Raised / (Repaid)	(477.25)	(900.93)
Shor-term borrowings Raised / (Repaid)	(79.84)	126.97
Finance Costs paid	(181.37)	(210.63)
Net Cash Used in Financing Activity (C)	(738.46)	(984.58)
Net Increase in Cash & Cash Equivalents (D = A+B+C)	0.41	1.07
Opening Cash & Cash Equivalents	4.74	3.67
Closing Cash & Cash Equivalents	5.15	4.74





**Independent Auditors' Report
To The Board of Directors of Arex Industries Limited**

We have audited the accompanying Statement of Standalone Financial Results (the "Statement") of Arex Industries Limited (the "Company"), for the quarter and year ended 31st March, 2023, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 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, the Statement:

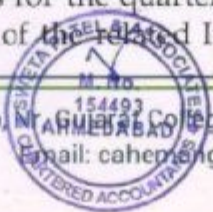
- i. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in Indian Accounting Standard ("Ind AS") specified under Section 133 of the Companies Act 2013 (the "Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information for the quarter ended 31st March, 2023 and the net profit and other comprehensive income and other financial information for the year ended 31st March, 2023.

Basis for Opinion

We conducted our audit of the Statement in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 standalone financial results 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibilities for the Standalone Financial Results

These standalone financial results for the quarter and year ended 31st March, 2023 have been prepared on the basis of the related Ind AS annual standalone financial



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 profit 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.

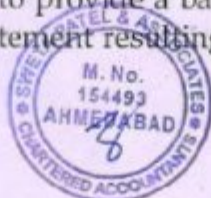
The Board of Directors are also responsible for overseeing the financial reporting process of the Company.

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 2023 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 : 27-05-2023



Sweta H. Patel
(Sweta H. Patel)
Partner

Membership No. 154493
UDIN:- 23154493BGZFFB3452