

June 30, 2021

To,
Department of Corporate Services,
BSE Limited,
P. J. Towers, Dalal Street,
Mumbai – 400 001.

Dear Sir/Ma'am,

Sub: Audited Financial Results of the Company for the quarter and year ended March 31, 2021

Ref: Faze Three Limited (Scrip Code: 530079)

Pursuant to the provisions contained in Regulation 33 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that the Board of Directors of the Company (the "Board") at its meeting held today i.e. June 30, 2021, has, *inter alia*, approved the Audited Financial Results (Standalone and Consolidated) of the Company for year ended March 31, 2021.

We enclose herewith a copy of the said Audited Financial Results Standalone as well as Consolidated together with Auditor's Report issued by MSKA & Associates, Statutory Auditors of the Company along-with declaration of unmodified opinion on the said Financial Results and the Press Release.

The meeting of the Board of Directors commenced at 11.30 a.m. and concluded at 1.30 p.m.

You are requested to kindly take the same on record and bring it to the notice of your constituents.

Thanking you,

Yours Sincerely,
For Faze Three Limited

A handwritten signature in blue ink, appearing to read "Akram Sati".

Akram Sati
Company Secretary & Compliance Officer
M No. A50020

A circular blue ink stamp. The outer ring contains the text "FAZE THREE LIMITED" at the top and "MUMBAI" at the bottom. In the center, there is a small star.

Encl. A/a



PRESS RELEASE

Faze Three Limited announces its financial results for the quarter & year ended March 31, 2021

Business update and Key highlights (Standalone):

The company's Revenue (over 85%) comes from Export of Home Textile products to USA, UK and EUR region. Refer www.fazethree.com for more details on the company.

- 1) Total Income for the Quarter ended QE March 2021 stood at Rs. 108.67 Crs versus Rs. 73.91 Crs for QE March 2020. Growth of 47% q-o-q.
(Results for March 2021 quarter were the highest ever quarterly Total Income and Net Profit in the company since inception. The capex undertaken in last 4 years has enabled company to service higher volumes)
- 2) Total Income for year ended 31 March 2021 stood at Rs 326.30 Crs vs Rs 306.31 Crs for year ended 31 March 2020. Growth of 6.5% y-o-y.
- 3) Total Income for Apr-June quarter of FY 21 was affected owing to COVID lockdown. The Revenue for the said Q1 was ~INR 40 Crs versus INR 95 Crs, being average quarterly revenue for last 3 quarters for FY 21. Revenue for 01 July 20 to 31 March 21 (9 months) Revenue of ~INR 285 Cr.
- 4) Net Profit Before Tax for year ended 31 March 2021 stood at Rs 35.41 Crs vs Rs 22.32 Crs for year ended 31 March 2020. Growth of ~58% y-o-y.
- 5) Net Profit after Tax for year ended 31 March 2021 stood at Rs 25.01 Crs vs Rs 19.28 Crs for year ended 31 March 2020. Growth of ~29.7% y-o-y.
*(*Company has opted to continue with the old Corporate Income Tax regime for the current year. The effective tax rate for FY 2021 is ~29.5% versus ~13.64% for FY 2020)*
- 6) Earning Per Share for year ended March 31, 2021 INR 10.25 per share versus INR 7.46 per share for year ended March 31, 2020

Update on Export Incentives & Impact on Total Income / Net Profit.

- 1) Government of India vide press release dated December 31, 2020 introduced the benefit of the Scheme for RoDTEP to all export goods with effect from January 01, 2021. With the introduction of the RoDTEP, the benefit of erstwhile ROSCTL/MEIS scheme stood withdrawn w.e.f. January 01, 2021. Considering that the rates of RoDTEP are yet to be notified. the Company has not accrued income relating to benefits of RoDTEP scheme for the period January 01, 2021 to March 31, 2021. To this extent the results of the Quarter and year ended March 31, 2021 are not comparable.
- 2) Based on Committee constituted by DGFT for recommending rates and industry association recommendations, the rates for company's products are expected to be between 2% to 4% which would transpire additional Income of ~INR 2 Crs to INR 4 Crs. The same shall be accounted during FY 22 based on notification from Govt.

FAZE THREE LIMITED

(CIN: L99999DN1985PLC000197)

Regd. Office: Survey 380/1, Khanvel Silvassa Road, Dapada, Silvassa – 396 230, UT of D&NH

Corp Office: 63C, Mittal Court, Nariman Point, Mumbai – 400021.

E-mail : info@fazethree.com * Website : www.fazethree.com

- 3) Vide notification dated September 1, 2020, captioned "Ceiling / cap on MEIS benefits available to exporters on exports made from September 1, 2020 to December 31, 2020.
- Maximum cap of INR 2 Crs was put on total exports per Importer -Exporter Code (IEC) during September 1, 2020 to December 31, 2020.
 - MEIS was withdrawn w.e.f January 1, 2021.
 - The company was eligible for additional ~INR 2.5 Crs had this notification not restricted the eligibility.

FY 2022 – Guidance:

Based on confirmed orders on hand, management estimates & projections:

- a) Total Income (TI) for FY 2022 is estimated / projected to grow ~15% to 18% over FY 2021. The Average run rate of Total Income over last 3 quarters is ~INR 95 Crs per quarter.
- b) Net Profit after Tax (NPAT) for FY 2022 is estimated / projected to exceed FY 2021 by around 20% at approx. 8% - 9% of Total Income versus 7.66% in FY 2021 subject to clarity on the Export incentives during the year.
- c) The company has undertaken a Capital expenditure (Capex) of over ~Rs 40 Crs from internal accruals over last 4 years months. Further, the company is under process of expansion at two of its manufacturing locations which are expected to be fully operational by March 22. The said expansion and capex has enabled the company to be fully prepared to meet the projected demand & achieve its goal to double its Total Income of FY 21 within 3 year period.
- d) The company expects positive movement in the above guidance based on current visibility and pipeline with customers.

Other Update:

The company was recognised as one of the leading Mid-Corporates in India - 2020 by Dun and Bradstreet's premier publication released on 25th November 2020.

On 20th November 2019, the Company was awarded Dun and Bradstreet- RBL Bank SME Business Excellence Awards 2019 in the Mid-Corporate Segment for excellence in the Textiles Sector.

Disclaimer

Statements describing the Company's objective, projections, estimates, expectations, or predictions may be forward looking statements. It may be noted that the actual results may differ from that expressed or implied herein.

FAZE THREE LIMITED

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**Independent Auditor's Report on Quarterly Standalone Financial Results and Year to Date Standalone
Financial Results pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure
Requirements) Regulations 2015, as amended**

To the Board of Directors of Faze Three Limited

Report on the Audit of Standalone Financial Results

Opinion

We have audited the accompanying standalone annual financial results of Faze Three Limited (hereinafter referred to as 'the Company') for the quarter and year ended March 31, 2021 ('the Statement'), 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 ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Statement:

(i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

(ii) give a true and fair view in conformity with the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of net profit and other comprehensive income and other financial information of the Company for the year ended March 31, 2021.

Basis for Opinion

We conducted our audit 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 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 Code of Ethics.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.



Emphasis of Matter

We draw attention to Note 6 to the accompanying Statement which states that the management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the year ended March 31, 2021 and has concluded that there is no impact which is required to be recognized in the Statement. Accordingly, no adjustments have been made to the Statement.

Our opinion is not modified in respect of this matter.

Board of Directors' Responsibilities for the Standalone Financial Results

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, have been prepared on the basis of the standalone annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of this Statement that give a true and fair view of the net profit and other comprehensive income in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Board of Directors of the Company are responsible for 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Company, as aforesaid.

In preparing the Statement, the Board of Directors of the Company are responsible for assessing the ability of the Company 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 of the Company are 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 Statement 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 Statement.



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 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 represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance of the Company of which we are the independent auditors 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.



MSKA

& Associates

Chartered Accountants

Other Matters

The Statement include the results for the quarter ended March 31, 2021 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" which were subject to limited review by us.

For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No.105047W

Amrish Vaidya
Partner
Membership No. 101739
UDIN: 21101739AAAAEE5183



Place: Mumbai
Date: June 30, 2021

**Independent Auditor's Report on Quarterly Consolidated Financial Results and Year to Date
Consolidated Financial Results pursuant to the Regulation 33 of the SEBI (Listing Obligations and
Disclosure Requirements) Regulations 2015, as amended**

To the Board of Directors of Faze Three Limited

Report on the Audit of Consolidated Financial Results

Opinion

We have audited the accompanying consolidated annual financial results of Faze Three Limited (hereinafter referred to as the 'Holding Company') and a subsidiary (Holding Company and a subsidiary together referred to as "the Group"), for the quarter and year ended March 31, 2021, ('the Statement') attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us and based on the unaudited financial information of a subsidiary obtained from the Management, the aforesaid Statement:

(i) include the annual financial results of the following entity:

Sr. No	Name of the Entity	Relationship with the Holding Company
1.	Faze Three US LLC	Wholly owned subsidiary

(ii) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

(iii) give a true and fair view in conformity with the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of net profit and other comprehensive income and other financial information of the Group for the year ended March 31, 2021.



Basis for Opinion

We conducted our audit 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 Consolidated Financial Results section of our report. We are independent of the Group, 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 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 obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 6 to the accompanying Statement which states that the management has made an assessment of the impact of COVID-19 on the Group's operations, financial performance and position as at and for the year ended March 31, 2021 and has concluded that there is no impact which is required to be recognized in the Statement. Accordingly, no adjustments have been made to the Statement.

Our opinion is not modified in respect of this matter.

Board of Directors' Responsibilities for the Consolidated Financial Results

These Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, have been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of this Statement that give a true and fair view of the net profit and other comprehensive income and other financial information of the Group in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.



In preparing the Statement, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

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

Our objectives are to obtain reasonable assurance about whether the Statement 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 this Statement.

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 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 Group 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 Group 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 represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement of which we are the independent auditors. For the other entities included in the Statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company, 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

1. The Statement include the unaudited financial Information of a subsidiary, whose financial information reflects total assets of Rs. 5.85 crores as at March 31, 2021, total revenue of Rs. 4.28 crores and net profit after tax of Rs. 0.02 crores for the quarter ended March 31, 2021, total Revenue of Rs. 7.65 crores and net profit after tax of Rs. 0.001 crores for the year ended March 31, 2021 and net cash inflows of Rs. 0.01 crores for the year ended March 31, 2021, as considered in the Statement. This unaudited financial information has been furnished to us by the Board of Directors and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Board of Directors, this unaudited financial information is not material to the Group.

Our opinion on the Statement is not modified with respect to our reliance on the unaudited financial information certified by the Board of Directors.



MSKA

& Associates

Chartered Accountants

2. The Statement include the results for the quarter ended March 31, 2021 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" which were subject to limited review by us. Also, the figures for the quarter ended March 31, 2020 are the balancing figures between audited figures in respect of the full financial year and the unaudited year to date figures up to the third quarter of the previous financial year.

For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No.105047W

Amrish Vaidya
Partner
Membership No.: 101739
UDIN: 21101739AAAAED7436



Place: Mumbai
Date: June 30, 2021

FAZE THREE LIMITED



CIN : L99999DN1985PLC000197 | www.fazethree.com | info@fazethree.com | 022 435 14444 |

Regd off: Survey no 380/1, Khanvel Silvassa road, Village Dapada, Silvassa - 396 230

Statement of Audited Standalone Financial Results for the quarter and year ended March 31, 2021

(₹ in Crores)

Particulars	Standalone				
	Quarter Ended		Year Ended		
	March 31, 2021	December 31, 2020	March 31, 2020	March 31, 2021	March 31, 2020
	Audited (refer note 13)	Unaudited	Audited (refer note 13)	Audited	Audited
I Revenue from operations (refer note 5)	107.59	96.37	73.45	324.17	302.19
II Other income (refer note 9)	1.08	0.68	0.46	2.13	4.12
III Total Income (I + II)	108.67	97.05	73.91	326.30	306.31
IV Expenses					
(a) Cost of materials consumed and other inputs	59.61	46.88	26.47	160.65	132.63
(b) Changes in inventories of finished goods and work-in-progress	(6.30)	(0.11)	8.67	(9.04)	5.50
(c) Employee benefits expense	15.50	14.06	12.51	51.29	52.26
(d) Finance costs	1.57	1.46	2.07	5.68	8.61
(e) Depreciation and amortisation expense	2.42	2.26	2.06	8.84	7.96
(f) Other expenses	23.59	21.06	18.83	73.47	77.03
Total expenses (IV)	96.39	85.61	70.61	290.89	283.99
V Profit before exceptional items and tax (III-IV)	12.28	11.44	3.30	35.41	22.32
VI Exceptional Items	-	-	-	-	-
VII Profit before tax (V-VI)	12.28	11.44	3.30	35.41	22.32
VIII Tax expense					
(a) Current tax	3.30	3.04	0.19	9.62	4.24
(b) Deferred tax (net)	0.39	0.21	(0.25)	0.78	(1.20)
Total tax expense (VIII)	3.69	3.25	(0.06)	10.40	3.04
IX Profit for the period / year (VII-VIII)	8.59	8.19	3.36	25.01	19.28
X Other comprehensive income					
Items that will not be reclassified to profit or loss					
(a) Remeasurement of the net defined benefit obligations	0.07	(0.06)	(0.14)	(0.20)	(0.35)
(b) Tax relating to items that will not be reclassified to profit or loss	(0.03)	0.02	0.03	0.06	0.10
Other comprehensive income for the period / year (X)	0.04	(0.04)	(0.11)	(0.14)	(0.25)
XI Total comprehensive income (IX+X)	8.63	8.15	3.25	24.87	19.03
Paid-up Equity Share capital (Face Value ₹ 10 per Share)	24.32	24.32	24.32	24.32	24.32
Other Equity (excluding revaluation reserve)	-	-	-	149.26	124.41
Earnings per share (₹) (not annualised for the quarters) :					
Basic	3.53	3.37	1.38	10.28	7.93
Diluted (refer note 4)	3.53	3.37	1.38	10.28	7.93

Notes as annexed to this Financial Results



Mumbai
June 30, 2021

By Order of the Board
For Faze Three Limited

Ajay Anand
Managing Director
DIN: 00373248



FAZE THREE LIMITED



CIN : L99999DN1985PLC000197 | www.fazethree.com | info@fazethree.com | 022 435 14444 |

Regd off: Survey no 380/1, Khanvel Silvassa road, Village Dapada, Silvassa - 396 230

Statement of Audited Consolidated Financial Results for the quarter and year ended March 31, 2021

(₹ in Crores)

Particulars	Consolidated				
	Quarter Ended			Year Ended	
	March 31, 2021	December 31, 2020	March 31, 2020	March 31, 2021	March 31, 2020
	Audited (refer note 13)	Unaudited	Audited (refer note 13)	Audited	Audited
I Revenue from operations (refer note 5)	108.96	94.10	73.30	324.59	302.17
II Other income (refer note 9)	1.08	0.68	0.46	2.13	4.12
III Total Income (I + II)	110.04	94.78	73.76	326.72	306.29
IV Expenses					
(a) Cost of materials consumed and other inputs	60.59	44.45	26.40	159.77	132.56
(b) Changes in inventories of finished goods and work-in-progress	(6.33)	0.04	8.68	(8.96)	5.51
(c) Employee benefits expense	15.50	14.05	12.51	51.29	52.26
(d) Finance costs	1.57	1.45	2.07	5.68	8.61
(e) Depreciation and amortisation expense	2.42	2.26	2.06	8.84	7.96
(f) Other expenses	23.97	21.24	19.13	74.77	78.21
Total expenses (IV)	97.72	83.49	70.85	291.39	285.11
V Profit before exceptional items and tax (III-IV)	12.32	11.29	2.91	35.33	21.18
VI Exceptional Items	-	-	-	-	-
VII Profit before tax (V-VI)	12.32	11.29	2.91	35.33	21.18
VIII Tax expense					
(a) Current tax	3.30	3.04	0.19	9.62	4.24
(b) Deferred tax (net)	0.39	0.21	(0.25)	0.78	(1.20)
Total tax expense (VIII)	3.69	3.25	(0.06)	10.40	3.04
IX Profit for the period / year (VII-VIII)	8.63	8.04	2.97	24.93	18.14
X Other comprehensive income					
Items that will not be reclassified to profit or loss					
(a) Remeasurement of the net defined benefit obligations	0.07	(0.06)	(0.14)	(0.20)	(0.35)
(b) Tax relating to items that will not be reclassified to profit or loss	(0.03)	0.04	0.03	0.06	0.10
Items that will be reclassified to profit or loss	0.04	(0.02)	(0.11)	(0.14)	(0.25)
(a) Exchange differences on translation of a foreign operation (refer note 12)	(0.00)	0.03	-	0.03	-
(b) Tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-
Other comprehensive income for the period / year (X)	(0.00)	0.03	-	0.03	-
XI Total comprehensive income (IX+X)	8.67	8.05	2.86	24.82	17.89
Paid-up Equity Share capital (Face Value ₹ 10 per Share)	24.32	24.32	24.32	24.32	24.32
Other Equity (excluding revaluation reserve)				146.79	121.99
Earnings per share (₹) (not annualised for the quarters) :					
Basic	3.55	3.31	1.22	10.25	7.46
Diluted (refer note 4)	3.55	3.31	1.22	10.25	7.46

Notes as annexed to this Financial Results

By Order of the Board
For Faze Three Limited

Mumbai
June 30, 2021



Ajay Anand
Managing Director
DIN: 00373248



FAZE THREE LIMITED



Statement of Assets & Liabilities as at March 31, 2021

(₹ in Crores)

Particulars	Standalone		Consolidated	
	As at March 31, 2021 (Audited)	As at March 31, 2020 (Audited)	As at March 31, 2021 (Audited)	As at March 31, 2020 (Audited)
ASSETS				
Non-current assets				
(a) Property, plant and equipment	130.93	124.62	130.93	124.62
(b) Capital work-in-progress	1.04	0.76	1.04	0.76
(c) Right of use assets	9.92	12.14	9.92	12.14
(d) Financial assets				
(i) Investments	2.65	2.65	0.21	0.21
(ii) Other financial assets	2.42	2.32	2.42	2.32
(e) Other non-current assets	2.71	1.98	2.71	1.98
(f) Deferred tax assets (net) (refer note 7)	2.00	6.30	2.00	6.30
Total Non-current assets	151.67	150.77	149.23	148.33
Current assets				
(a) Inventories	67.23	59.76	69.83	60.77
(b) Financial assets				
(i) Trade receivables	72.38	45.55	69.66	44.00
(ii) Cash and cash equivalents	1.88	14.71	2.44	15.27
(iii) Bank balances other than cash and cash equivalents	40.02	1.02	40.02	1.02
(iv) Other financial assets	1.15	0.07	1.15	0.07
(c) Current tax assets (net)	1.42	1.17	1.42	1.17
(d) Other current assets	22.78	14.14	22.78	14.14
Total current assets	206.86	136.42	207.30	136.44
TOTAL - ASSETS	358.53	287.19	356.53	284.77
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	24.32	24.32	24.32	24.32
(b) Other equity	204.28	179.55	201.81	177.13
Total equity	228.60	203.87	226.13	201.45
Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	0.28	1.20	0.28	1.20
(ii) Lease liabilities	9.01	10.51	9.01	10.51
(b) Provisions	1.37	1.44	1.37	1.44
Total non-current liabilities	10.66	13.15	10.66	13.15
Current liabilities				
(a) Financial liabilities				
(i) Borrowings (refer note 8)	91.35	53.45	91.35	53.45
(ii) Trade payables	12.86	6.69	13.33	6.69
(iii) Other financial liabilities	10.35	6.41	10.35	6.41
(iv) Lease liabilities	1.49	1.25	1.49	1.25
(b) Provisions	1.88	1.73	1.88	1.73
(c) Current tax liabilities (net)	0.48	0.05	0.48	0.05
(d) Other current liabilities	0.86	0.59	0.86	0.59
Total current liabilities	119.27	70.17	119.74	70.17
TOTAL - EQUITY AND LIABILITIES	358.53	287.19	356.53	284.77



Mumbai
June 30, 2021

By Order of the Board
For Faze Three Limited

(Signature)

Ajay Anand
Managing Director
DIN: 00373248



FAZE THREE LIMITED
Statement of Standalone & Consolidated Cash Flows for the year ended March 31, 2021
(Rs. In crores)

Particulars	Standalone		Consolidated	
	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020
	Audited	Audited	Audited	Audited
Cash flow from operating activities				
Profit before tax	35.41	22.32	35.33	21.18
Adjustments for:				
Depreciation and amortization expenses (including depreciation on right of use assets)	8.84	7.96	8.84	7.96
Finance cost (including interest on lease liabilities)	5.68	6.36	5.68	6.36
Interest income	(1.57)	(0.45)	(1.57)	(0.45)
Unrealised (Gain)/ loss on foreign exchange fluctuations (net)	0.74	(0.99)	0.74	(0.99)
Operating profit before working capital changes	49.10	35.20	49.02	34.06
Changes in working capital				
(Decrease)/Increase in trade payables	6.17	(1.51)	6.63	(1.51)
(Increase)/Decrease in inventories	(7.47)	5.94	(4.88)	5.85
(Increase)/Decrease in trade receivables	(27.57)	0.39	(30.54)	1.91
Increase/(Decrease) in other current liabilities	0.27	(0.03)	0.27	(0.03)
Increase in other financial liabilities	2.98	0.66	2.98	0.66
(Increase) in non-current financial assets	(0.10)	(0.57)	(0.10)	(0.57)
(Decrease)/Increase in Employee benefit obligations	(0.12)	(0.08)	(0.12)	(0.08)
(Increase) in other non-current assets	(0.01)	(0.28)	(0.01)	(0.28)
(Increase) in other current assets	(8.64)	(3.93)	(8.64)	(3.93)
Cash generated from operations	14.61	35.79	14.61	36.08
Income tax paid (net of refund)	(5.67)	(4.98)	(5.67)	(4.98)
Net cash generated from operating activities (A)	8.94	30.81	8.94	31.10
Cash flow from Investing activities				
Payment for purchase of property, plant and equipment	(14.18)	(10.51)	(14.18)	(10.51)
Proceeds from sale of property, plant and equipment	0.25	-	0.25	-
Investment in unquoted investment	-	(0.01)	-	(0.01)
Interest received	0.30	0.32	0.30	0.32
Proceeds from/Investment in fixed deposits	(38.99)	5.00	(38.99)	5.00
Net cash used in investing activities (B)	(52.62)	(5.20)	(52.62)	(5.20)
Cash flow from Financing activities				
Payment of interim dividend	-	(1.47)	-	(1.47)
Proceeds / (Repayment) of borrowings (net)	37.79	(12.49)	37.79	(12.49)
Repayment of Lease Liabilities	(2.48)	(2.43)	(2.48)	(2.43)
Interest paid	(4.45)	(5.41)	(4.45)	(5.41)
Net cash generated from / (used in) financing activities (C)	30.86	(21.80)	30.86	(21.80)
Net Increase in cash and cash equivalents (A+B+C)	(12.82)	3.81	(12.82)	4.10
Cash and cash equivalents at the beginning of the year	14.71	10.90	15.27	11.17
Effect of exchange rate changes on cash and cash equivalents	(0.01)	-	(0.01)	-
Cash and cash equivalents at the end of the year	1.88	14.71	2.44	15.27
Cash and cash equivalents comprise				
Balances with banks				
In current accounts	0.68	13.07	1.24	13.63
Bank balance on EEFC account	1.15	1.60	1.15	1.60
Cash on hand	0.05	0.04	0.05	0.04
Total cash and cash equivalents at end of the year	1.88	14.71	2.44	15.27

Notes as annexed to this Financial Results

Mumbai
June 30, 2021
By Order of the Board
For Faze Three Limited

Ajay Anand
Managing Director
DIN: 00373248


Notes to Audited Standalone and Consolidated Financial Results for quarter and year ended March 31, 2021

1. The Statement of Audited Standalone and Consolidated Financial Results were reviewed and recommended by the Audit Committee and thereafter approved by the Board of Directors at their respective meetings held on June 30, 2021. The statutory auditors have expressed an unmodified opinion on these results.
2. These financial results have been prepared in accordance with the recognition and measurement principles under Ind AS as prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.
3. The Company operates in only one reportable segment viz. manufacturing of home textiles.
4. There is no dilution to the basic EPS as there are no outstanding potentially dilutive shares.
5. Update on Export Incentives : Remission of Duties and Taxes on Exported Products (RODETP)/ Merchandise Exports from India Scheme (MEIS) / Rebate of State and Central Levies and Taxes (ROSCTL)

- a. Government of India vide press release dated December 31, 2020 introduced the benefit of the Scheme for RoDTEP to all export goods with effect from January 01, 2021.

With the introduction of the RoDTEP, the benefit of erstwhile ROSCTL/MEIS scheme stood withdrawn w.e.f. January 01, 2021. Considering that the rates of RoDTEP are yet to be notified, the Company has not accrued income relating to benefits of RoDTEP scheme for the period January 01, 2021 to March 31, 2021. To this extent the results of the Quarter and year ended March 31, 2021 are not comparable.

- b. Vide notification dated September 1, 2020, captioned "Ceiling / cap on MEIS benefits available to exporters on exports made from September 1, 2020 to December 31, 2020.
 - Maximum cap of ₹ 2 crores was put on total exports per Importer -Exporter Code (IEC) during September 1, 2020 to December 31, 2020.
 - MEIS was withdrawn w.e.f January 1, 2021.

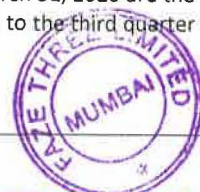
To this extent the results for the year ended March 31, 2021 are not comparable.

6. The management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the year ended March 31, 2021 and has concluded that there is no impact which is required to be recognised in the financial statements. Accordingly, no adjustments have been made to the financial statements. However, the Company shall continue to closely monitor any material developments in the external business environment and future economic conditions which may have significant impact on it business.
7. Deferred tax assets includes net of Deferred tax liabilities and MAT credit available as per the requirements of "Ind AS 12- Income Taxes". Deferred tax assets (net) as on March 31, 2021 includes MAT credit of ₹ 5.36 crores (March 31, 2020 of ₹ 8.87 crores).
8. As on March 31, 2021, total short term borrowings stands at ₹ 91.35 crores (March 31, 2020: ₹ 53.39 crores) and Net Borrowings of ₹ 49.52 crores (March 31, 2020: ₹ 37.72 crores). Net Borrowings: Borrowings less Cash and Cash Equivalents and Fixed Deposits placed with bank.
9. Other income for the year ended March 31, 2021 includes Interest Income from Fixed Deposits (Finance Income) of ₹ 1.57 crores vis-a-vis ₹ 0.45 crores for March 31, 2020.
10. Consolidated Financial Results includes, results of the Company's wholly owned foreign subsidiary (Faze Three US LLC). For the purpose of consolidation, the unaudited financial information have been converted and approved by the management as per Ind AS and stated in Indian currency (INR).
11. The Indian Parliament has approved the Code on Social Security 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code of Social Security on November 13, 2020 and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which the Code becomes effective and the related rules to determine the financial impact are published.
12. The Audited consolidated financial results are rounded to the nearest crores, except when otherwise indicated. Amounts represented by '0' (zero) construes value less than Rupees fifty thousand.

13. The Audited Standalone and Consolidated financial results for the three months ended March 31, 2021 and March 31, 2020 are the balancing figures between the Audited figures for the full financial year then ended and year to date figures up to the third quarter of the respective financial years.



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Notes to Audited Standalone and Consolidated Financial Results for quarter and year ended March 31, 2021

14. The figures for the previous period/year have been regrouped / reclassified wherever necessary, to make them comparable.
15. For more details on Business and full year guidance, kindly refer the annexed press release.

Mumbai
June 30, 2021



By Order of the Board
For Faze Three Limited

Ajay Anand
Managing Director
DIN: 00373248



June 30, 2021

To,
Department of Corporate Services,
BSE Limited,
P. J. Towers, Dalal Street,
Mumbai – 400 001.

Dear Sirs,

Sub: Declaration regarding Statutory Audit Report with un-modified opinion on Financial Statements of the Company for the Financial Year ended 31st March, 2021
Ref: Faze Three Limited (STOCK CODE: 530079)

Pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and SEBI Circular No. CIR/CFD/CMD/56/2016 dated May 27, 2016, we hereby declare that the Statutory Auditors of the Company i.e. M/s. MSKA & Associates have issued the Audit Report with unmodified opinion on the Audited (Standalone & Consolidated) Financial Results of the Company for the quarter and year ended March 31, 2021.

Thanking you,

Yours Faithfully
For Faze Three Limited

A handwritten signature in blue ink, appearing to read 'Akram Sati', written over a circular blue stamp.

Akram Sati
Company Secretary & Compliance Officer
M No. A50020



FAZE THREE LIMITED

(CIN: L99999DN1985PLC000197)

Regd. Office: Survey 380/1, Khanvel Silvassa Road, Dapada, Silvassa – 396 230, UT of D&NH

Corporate Office: 63/64, 6th Floor, Wing C, Mittal Court, Nariman Point, Mumbai - 400021.

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