



February 05, 2021

Corporate Relationship Department
BSE Limited,
1st Floor, New Trading Ring,
Rotunda Building,
P.J. Towers, Dalal Street,
Fort, Mumbai – 400 001.

Dear Sirs,

Sub: Un-Audited Financial Results (Standalone and Consolidated) of the Company for the quarter and nine months ended December 31, 2020

Ref: Faze Three Limited (STOCK 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 has, *inter alia*, approved the Un-Audited Financial Results (Standalone and Consolidated) of the Company for the quarter and nine months ended December 31, 2020.

We enclose herewith a copy of the said Un-Audited Financial Results together with Limited Review Report of even date issued by MSKA & Associates, Statutory Auditors of the Company and the Press Release.

The meeting of the Board of Directors commenced at 12.00 noon and concluded at 02.00 p.m.

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

Yours faithfully

For FAZE THREE LIMITED


ANKIT PAREKH
Company Secretary
M No. 31990



FAZE THREE LIMITED

(CIN: L99999DN1985PLC000197)

Regd. Office: Survey 380/1, Khanvel Silvassa Road, Village Dapada, UT of Dadra & Nagar Haveli – 396 230.

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

Tel. : 91 (22) 43514444, 66604600 * Fax : 91 (22) 24936811 * E-mail : info@fazethree.com * Website : www.fazethree.com

PRESS RELEASE

Faze Three Limited announces its financial results for the quarter & nine months ended December 31, 2020.

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.

Total Income for the Quarter ended (QE) Dec 2020 stood at Rs. 97.05 Crs versus Rs. 84.57 Crs for QE Dec 2019.

(Results for Dec 2020 quarter were the highest ever quarterly Total Income and Net Profit in the Company since inception. The capex undertaken in last 3 years has enabled Company to service higher volumes than the current quarter)

Total Income for 9M ended Dec 2020 stood at Rs 217.63 Crs versus Rs 232.4 Crs for 9M ended Dec 2019

Net Profit Before Tax for 9M ended Dec 20 stood at Rs 23.13 Crs versus Rs. 19.02 Crs for 9M ended Dec 2019

Net Profit after Tax for 9M ended Dec 2020 stood at Rs 16.42 Crs versus Rs. 15.92 Crs for 9M ended Dec 2019

*(*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)*

FY 2021 and FY 2022 – Guidance:

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

- a) Total Income (TI) for FY 2021 is estimated / projected to be at par with FY 2020 (INR 306 Crs) despite approx. 2 months of operational lockdown / disruption in Q1 of FY 2021 (approx. 45-50 Crs of Revenue) owing to COVID – 19.
- b) Net Profit after Tax (NPAT) for FY 2021 is estimated / projected to exceed FY 2020 by around 20% at approx. 7.5% of Total Income versus 6.2% in FY 2020 after accounting for onetime COVID related costs & Sep-Dec MEIS incentive impact of ~INR 2.5
- c) The average monthly run rate of Total Income of last 6 months has been around INR 29 Crs. Based on orders on hand & estimates for FY 2022, at a minimum the company expects this run rate to continue through FY 2022 with +/- 5% probability to this expectation. This would mean Total Income growth of atleast approx. 15% y-o-y.
- d) Net Profit After Tax is expected to grow by atleast ~15% in FY 2022 from existing rate of 7.5% for FY 2021 of Total Income.
- e) The company has undertaken a Capital expenditure (Capex) of over ~Rs 40 Crs from internal accruals over last 40 months. Further, the company has plans for at least INR 10 Crs over next 12 months from internal accruals. The said capex has enabled the company to be fully prepared for its goal to double its Revenue within 3 years from date.

The Capex is directed towards building capabilities of innovative & value added offerings, automation, de-bottlenecking operations, etc. Of the total Capex, ~70% is under the Plant and Machinery block.

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.

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

**To,
The Board of Directors
Faze Three Limited**

1. We have reviewed the accompanying statement of standalone unaudited financial results of Faze Three Limited ('the Company') for the quarter ended December 31, 2020 and the year to-date results for the period April 01, 2020 to December 31, 2020 ('the Statement') being submitted by the Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('the Regulation').
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 'Interim Financial Reporting', prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether financial results are free of material misstatements. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

MSKA

& Associates

Chartered Accountants

602, Floor 6, Raheja Titanium
Western Express Highway, Geetanjali
Railway Colony, Ram Nagar, Goregaon (E)
Mumbai 400063, INDIA
Tel: +91 22 6831 1600

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of standalone unaudited financial results prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of the Regulation including the manner in which it is to be disclosed, or that it contains any material misstatement.

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

Amrish Vaidya
Partner
Membership No. 101739
UDIN: 21101739AAAAAN8518

Place: Mumbai
Date: February 05, 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 Unaudited Financial Results for the quarter and nine months ended December 31, 2020

(₹ in Crores)

Particulars	Standalone					
	Quarter Ended			Nine Months Ended		Year Ended
	December 31, 2020	September 30, 2020	December 31, 2019	December 31, 2020	December 31, 2019	March 31, 2020
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I Revenue from operations	96.37	80.12	84.34	216.58	228.74	302.19
II Other income (refer note 6)	0.68	0.27	0.23	1.05	3.66	4.12
III Total Income (I + II)	97.05	80.39	84.57	217.63	232.40	306.31
IV Expenses						
(a) Cost of materials consumed and other inputs	46.88	37.40	39.76	101.04	106.16	132.63
(b) Changes in inventories of finished goods and work-in-progress	(0.11)	(1.47)	(7.01)	(2.74)	(3.17)	5.50
(c) Employee benefits expense	14.06	12.17	13.72	35.79	39.75	52.26
(d) Finance costs	1.46	1.27	2.54	4.11	6.54	8.61
(e) Depreciation and amortisation expense	2.26	2.10	2.13	6.42	5.90	7.96
(f) Other expenses	21.06	20.27	25.78	49.88	58.20	77.03
Total expenses (IV)	85.61	71.74	76.92	194.50	213.38	283.99
V Profit before exceptional items and tax (III-IV)	11.44	8.65	7.65	23.13	19.02	22.32
VI Exceptional Items	-	-	-	-	-	-
VII Profit before tax (V-VI)	11.44	8.65	7.65	23.13	19.02	22.32
VIII Tax expense						
(a) Current tax	3.04	2.39	1.56	6.32	4.05	4.24
(b) Deferred tax (net)	0.21	0.16	(0.32)	0.39	(0.95)	(1.20)
Total tax expense (VIII)	3.25	2.55	1.24	6.71	3.10	3.04
IX Profit for the period / year (VII-VIII)	8.19	6.10	6.41	16.42	15.92	19.28
X Other comprehensive income						
Items that will not be reclassified to profit or loss						
(a) Remeasurement of the net defined benefit obligations	(0.06)	(0.07)	(0.07)	(0.27)	(0.21)	(0.35)
(b) Tax relating to items that will not be reclassified to profit or loss	0.02	0.03	0.02	0.09	0.07	0.10
Other comprehensive income for the period / year (X)	(0.04)	(0.04)	(0.05)	(0.18)	(0.14)	(0.25)
XI Total comprehensive income (IX+X)	8.15	6.06	6.36	16.24	15.78	19.03
Paid-up Equity Share capital (Face Value ₹ 10 per Share)	24.32	24.32	24.32	24.32	24.32	24.32
Other Equity (excluding revaluation reserve)						124.41
Earnings per share (₹) (not annualised for the quarters) :						
Basic	3.37	2.51	2.63	6.75	6.54	7.93
Diluted (refer note 4)	3.37	2.51	2.63	6.75	6.54	7.93

Notes as annexed to this Financial Results

Mumbai
February 05, 2021



By Order of the Board
For Faze Three Limited

Ajay Anand
Managing Director
DIN: 00373248

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

**To,
 The Board of Directors
 Faze Three Limited**

1. We have reviewed the accompanying statement of consolidated unaudited financial results of Faze Three Limited (‘the Holding Company’), and its subsidiary (the Holding Company and a subsidiary together referred to as the ‘Group’ for the quarter ended December 31, 2020 and the year to date results for the period from April 01, 2020 to December 31,2020 (‘the Statement’) being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (‘the Regulation’).
2. This Statement, which is the responsibility of the Holding Company’s Management and approved by the Holding Company’s Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 ‘Interim Financial Reporting’ (‘Ind AS 34’), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:

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

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the branch auditors and other auditors referred to in paragraph 7 and 8 below, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Regulation including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. We did not review the financial information of a subsidiary located outside India included in the Statement, whose financial information reflects total assets of Rs.4.05 Crore at December 31, 2020 and total revenues of Rs.0.99 Crore and loss before tax of Rs.0.02 Crore for the quarter ended December 31, 2020. Total revenue of Rs.3.36 Crores and loss before tax of Rs.0.02 Crore for the nine months ended December 31, 2020, as considered in the statement. This financial information is unaudited and have been furnished to us by the Management and our conclusion 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 approved by the Management. According to the information and explanations given to us by the Management, this financial information is not material to the Group.

Our conclusion on the Statement is not modified in respect of this matter.

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

Amrish Vaidya
Partner
Membership No. 101739
UDIN: 21101739AAAAO3992

Place: Mumbai
Date: February 05, 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 Unaudited Financial Results for the quarter and nine months ended December 31, 2020

(₹ In Crores)

Particulars	Consolidated					
	Quarter Ended			Nine Months Ended		Year Ended
	December 31, 2020	September 30, 2020	December 31, 2019	December 31, 2020	December 31, 2019	March 31, 2020
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I Revenue from operations	94.10	80.69	84.02	215.63	228.87	302.17
II Other income	0.68	0.27	0.23	1.05	3.66	4.12
III Total Income (I + II)	94.78	80.96	84.25	216.68	232.53	306.29
IV Expenses						
(a) Cost of materials consumed and other inputs	44.45	37.47	39.55	99.18	106.57	132.56
(b) Changes in inventories of finished goods and work-in-progress	0.04	(1.48)	(7.01)	(2.63)	(3.17)	5.51
(c) Employee benefits expense	14.05	12.17	13.72	35.79	39.75	52.26
(d) Finance costs	1.45	1.27	2.54	4.11	6.54	8.61
(e) Depreciation and amortisation expense	2.26	2.10	2.13	6.42	5.90	7.96
(f) Other expenses	21.24	20.76	25.98	50.80	59.08	78.21
Total expenses (IV)	83.49	72.29	76.91	193.67	214.67	285.11
V Profit before exceptional items and tax (III-IV)	11.29	8.67	7.34	23.01	17.86	21.18
VI Exceptional Items	-	-	-	-	-	-
VII Profit before tax (V-VI)	11.29	8.67	7.34	23.01	17.86	21.18
VIII Tax expense						
(a) Current tax	3.04	2.39	1.56	6.32	4.05	4.24
(b) Deferred tax (net)	0.21	0.16	(0.32)	0.39	(0.95)	(1.20)
Total tax expense (VIII)	3.25	2.55	1.24	6.71	3.10	3.04
IX Profit for the period / year (VII-VIII)	8.04	6.12	6.10	16.30	14.76	18.14
X Other comprehensive income						
Items that will not be reclassified to profit or loss						
(a) Remeasurement of the net defined benefit obligations	(0.06)	(0.07)	(0.07)	(0.27)	(0.21)	(0.35)
(b) Exchange differences on translation of a foreign operation (refer note 9)	0.03	0.00	-	0.03	-	-
(c) Tax relating to items that will not be reclassified to profit or loss	0.04	0.03	0.02	0.11	0.07	0.10
Other comprehensive income for the period / year (X)	0.01	(0.04)	(0.05)	(0.13)	(0.14)	(0.25)
XI Total comprehensive income (IX+X)	8.05	6.08	6.05	16.17	14.62	17.89
Paid-up Equity Share capital (Face Value ₹ 10 per Share)	24.32	24.32	24.32	24.32	24.32	24.32
Other Equity (excluding revaluation reserve)						121.99
Earnings per share (₹) (not annualised for the quarters) :						
Basic	3.31	2.52	2.51	6.70	6.07	7.46
Diluted (refer note 4)	3.31	2.52	2.51	6.70	6.07	7.46

Notes as annexed to this Financial Results

Mumbai
February 05, 2021



By Order of the Board
For Faze Three Limited

(Signature)

Ajay Anand
Managing Director
DIN: 00373248

Notes to Unaudited Standalone and Consolidated Financial Results for quarter and nine months ended December 31, 2020

1. The Statement of unaudited 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 February 05, 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. 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 period ended December 31, 2020 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.
6. Other income for the nine months ended December 31, 2020 includes Interest Income from Fixed Deposits (Finance Income) of ₹ 0.74 crores vis-a-vis ₹ 0.31 crores for December 31, 2019.
7. 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).
8. 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.
9. The unaudited 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.
10. The figures for the previous period/year have been regrouped / reclassified wherever necessary, to make them comparable.
11. For more details on Business and full year guidance, kindly refer the annexed press release.

Mumbai
February 05, 2021



By Order of the Board
For Faze Three Limited


Ajay Anand
Managing Director
DIN: 00373248