



June 08, 2020

Corporate Relationship Department  
BSE Limited,  
Rotunda Building,  
P.J. Towers, Dalal Street,  
Fort, Mumbai – 400 001.

Dear Sirs,

**Sub: Audited Financial Results (Standalone and Consolidated) of the Company for the quarter and year ended March 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 i.e. June 08, 2020, has, *inter alia*, approved the Audited Standalone Financial Results and Audited Consolidated Financial Results of the Company for the quarter and year ended March 31, 2020.

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.

The meeting of the Board of Directors commenced at 3.30 p.m. and concluded at 4.30 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



Encl: A/a

**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**

**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, 2020 ('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, 2020.

**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 7 to the 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, 2020 and has concluded that there is no impact which is required to be recognised 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 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.



**& Associates**

Chartered Accountants

### **Other Matter**

The Statement includes the results for the quarter ended March 31, 2020 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: 20101739AAAACX6107

Place: Mumbai

Date: June 08, 2020

**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**

**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, 2020, (‘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, 2020.

**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 along with the consideration referred to in paragraph “Other Matters” below is sufficient and appropriate to provide a basis for our opinion.

### **Emphasis of Matter**

We draw attention to Note 7 to the 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, 2020 and has concluded that there is no impact which is required to be recognised 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 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 and its associates and jointly controlled entities 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 and its associates and jointly controlled entities 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 and its associates and jointly controlled entities 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 includes the unaudited financial information of a subsidiary, whose financial information reflects total assets of Rs. 1.99 crores as at March 31, 2020, total revenue of Rs. 0.80 crores and net profit after tax of Rs. 0.04 crores for the quarter ended March 31, 2020, total Revenue of Rs. 3.58 crores and net loss after tax of Rs. 1.13 crores for the year ended March 31, 2020 and net cash inflow of Rs. 0.29 crores for the year ended March 31, 2020, 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.

2. The Statement includes the results for the quarter ended March 31, 2020 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, 2019 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: 20101739AAAACY6382

Place: Mumbai

Date: June 08, 2020



# 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 Financial Results for the quarter and year ended March 31, 2020

(Rs. in Crores)

Particulars	Standalone				
	Quarter Ended			Year Ended	
	March 31, 2020	December 31, 2019	March 31, 2019	March 31, 2020	March 31, 2019
	Audited (Refer Note 11)	Unaudited	Audited (Refer Note 11)	Audited	Audited
I Revenue from operations	73.45	84.34	63.47	302.19	265.71
II Other income	0.46	0.23	0.55	4.12	1.77
<b>III Total Income (I + II)</b>	<b>73.91</b>	<b>84.57</b>	<b>64.02</b>	<b>306.31</b>	<b>267.48</b>
<b>IV Expenses</b>					
(a) Cost of materials consumed and other inputs	26.47	39.76	28.99	132.63	116.60
(b) Changes in inventories of finished goods and work-in-progress	8.67	(7.01)	(0.68)	5.50	0.18
(c) Employee benefits expense	12.51	13.72	11.09	52.26	42.62
(d) Finance costs (refer note 6)	2.07	2.54	1.58	8.61	6.73
(e) Depreciation and amortisation expense (refer note 6)	2.06	2.13	1.48	7.96	5.21
(f) Other expenses	18.83	25.78	16.09	77.03	77.08
<b>Total expenses (IV)</b>	<b>70.61</b>	<b>76.92</b>	<b>58.55</b>	<b>283.99</b>	<b>248.42</b>
<b>V Profit before exceptional items and tax (III-IV)</b>	<b>3.30</b>	<b>7.65</b>	<b>5.47</b>	<b>22.32</b>	<b>19.06</b>
VI Exceptional Items	-	-	-	-	-
<b>VII Profit before tax (V-VI)</b>	<b>3.30</b>	<b>7.65</b>	<b>5.47</b>	<b>22.32</b>	<b>19.06</b>
<b>VIII Tax expense</b>					
(a) Current tax	0.19	1.56	1.10	4.24	4.10
(b) Deferred tax (net) (refer note 5)	(0.25)	(0.32)	0.14	(1.20)	(1.33)
<b>Total tax expense (VIII)</b>	<b>(0.06)</b>	<b>1.24</b>	<b>1.24</b>	<b>3.04</b>	<b>2.77</b>
<b>IX Profit for the period / year (VII-VIII)</b>	<b>3.36</b>	<b>6.41</b>	<b>4.23</b>	<b>19.28</b>	<b>16.29</b>
<b>X Other comprehensive income</b>					
Items that will not be reclassified to profit or loss					
(a) Remeasurement of the net defined benefit obligations	(0.14)	(0.07)	(0.07)	(0.35)	(0.25)
(b) Tax relating to items that will not be reclassified to profit or loss	0.03	0.02	0.02	0.10	0.08
<b>Other comprehensive income for the period / year (X)</b>	<b>(0.11)</b>	<b>(0.05)</b>	<b>(0.05)</b>	<b>(0.25)</b>	<b>(0.17)</b>
<b>XI Total comprehensive income (IX+X)</b>	<b>3.25</b>	<b>6.36</b>	<b>4.18</b>	<b>19.03</b>	<b>16.12</b>
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)				124.41	106.84
<b>Earnings per share (₹) (not annualised for the quarters) :</b>					
Basic	1.38	2.63	1.74	7.93	6.70
Diluted (refer note 4)	1.38	2.63	1.74	7.93	6.70

## Notes as annexed to this Financial Results

Mumbai  
June 8, 2020



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 Financial Results for the quarter and year ended March 31, 2020

(Rs. in Crores)

Particulars	Consolidated				
	Quarter Ended			Year Ended	
	March 31, 2020	December 31, 2019	March 31, 2019	March 31, 2020	March 31, 2019
	Audited (Refer Note 11)	Unaudited	Audited (Refer Note 11)	Audited	Audited
I Revenue from operations	73.30	84.02	63.68	302.17	268.55
II Other income	0.46	0.23	0.55	4.12	1.77
<b>III Total Income (I + II)</b>	<b>73.76</b>	<b>84.25</b>	<b>64.23</b>	<b>306.29</b>	<b>270.32</b>
IV <b>Expenses</b>					
(a) Cost of materials consumed and other inputs	26.40	39.55	28.00	132.56	118.04
(b) Changes in inventories of finished goods and work-in-progress	8.68	(7.01)	0.73	5.51	1.59
(c) Employee benefits expense	12.51	13.72	11.09	52.26	42.62
(d) Finance costs (refer note 6)	2.07	2.54	1.58	8.61	6.75
(e) Depreciation and amortisation expense (refer note 6)	2.06	2.13	1.48	7.96	5.21
(f) Other expenses	19.13	25.98	16.06	78.21	78.29
<b>Total expenses (IV)</b>	<b>70.85</b>	<b>76.91</b>	<b>58.94</b>	<b>285.11</b>	<b>252.50</b>
V <b>Profit before exceptional items and tax (III-IV)</b>	<b>2.91</b>	<b>7.34</b>	<b>5.29</b>	<b>21.18</b>	<b>17.82</b>
VI Exceptional Items	-	-	-	-	-
<b>VII Profit before tax (V-VI)</b>	<b>2.91</b>	<b>7.34</b>	<b>5.29</b>	<b>21.18</b>	<b>17.82</b>
VIII <b>Tax expense</b>					
(a) Current tax	0.19	1.56	1.10	4.24	4.10
(b) Deferred tax (net) (refer note 5)	(0.25)	(0.32)	0.14	(1.20)	(1.33)
<b>Total tax expense (VIII)</b>	<b>(0.06)</b>	<b>1.24</b>	<b>1.24</b>	<b>3.04</b>	<b>2.77</b>
<b>IX Profit for the period / year (VII-VIII)</b>	<b>2.97</b>	<b>6.10</b>	<b>4.05</b>	<b>18.14</b>	<b>15.05</b>
X <b>Other comprehensive income</b>					
Items that will not be reclassified to profit or loss					
(a) Remeasurement of the net defined benefit obligations	(0.14)	(0.07)	(0.07)	(0.35)	(0.25)
(b) Tax relating to items that will not be reclassified to profit or loss	0.03	0.02	0.02	0.10	0.08
<b>Other comprehensive income for the period / year (X)</b>	<b>(0.11)</b>	<b>(0.05)</b>	<b>(0.05)</b>	<b>(0.25)</b>	<b>(0.17)</b>
<b>XI Total comprehensive income (IX+X)</b>	<b>2.86</b>	<b>6.05</b>	<b>4.00</b>	<b>17.89</b>	<b>14.88</b>
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)				121.99	105.60
<b>Earnings per share (₹) (not annualised for the quarters) :</b>					
Basic	1.22	2.51	1.67	7.46	6.19
Diluted (refer note 4)	1.22	2.51	1.67	7.46	6.19

Notes as annexed to this Financial Results

Mumbai  
June 8, 2020



By Order of the Board  
For Faze Three Limited

Ajay Anand  
Managing Director  
DIN: 00373248

# FAZE THREE LIMITED



Statement of Assets & Liabilities as at March 31, 2020

(Rs. in Crores)

Particulars	Standalone		Consolidated	
	As at March 31, 2020 (Audited)	As at March 31, 2019 (Audited)	As at March 31, 2020 (Audited)	As at March 31, 2019 (Audited)
<b>ASSETS</b>				
<b>Non-current assets</b>				
(a) Property, plant and equipment	124.62	120.57	124.62	120.57
(b) Capital work-in-progress	0.76	0.39	0.76	0.39
(c) Right of use assets (refer note 6)	12.14	-	12.14	-
(d) Financial assets				
(i) Investments	2.65	2.64	0.21	0.21
(ii) Other financial assets	2.32	2.00	2.32	2.01
(e) Other non-current assets	1.96	1.67	1.96	1.67
(f) Deferred tax assets (net) (refer note 5)	6.30	5.35	6.30	5.35
<b>Total Non-current assets</b>	<b>150.75</b>	<b>132.62</b>	<b>148.31</b>	<b>130.20</b>
<b>Current assets</b>				
(a) Inventories	59.76	65.68	60.77	66.64
(b) Financial assets				
(i) Trade receivables	45.55	44.96	44.00	44.91
(ii) Cash and cash equivalents	14.71	10.90	15.27	11.17
(iii) Bank balances other than cash and cash equivalents	1.02	6.02	1.02	6.02
(iv) Other financial assets	0.07	0.04	0.07	0.04
(c) Current tax assets (net)	1.17	0.04	1.17	0.04
(d) Other current assets	14.16	10.87	14.16	10.86
<b>Total current assets</b>	<b>136.44</b>	<b>138.51</b>	<b>136.46</b>	<b>139.68</b>
<b>TOTAL - ASSETS</b>	<b>287.19</b>	<b>271.13</b>	<b>284.77</b>	<b>269.88</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity share capital	24.32	24.32	24.32	24.32
(b) Other equity	179.55	162.11	177.13	160.86
<b>Total equity</b>	<b>203.87</b>	<b>186.43</b>	<b>201.45</b>	<b>185.18</b>
<b>Non-current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	1.20	2.67	1.20	2.67
(ii) Lease liabilities (refer note 6)	10.51	-	10.51	-
(b) Provisions	1.44	1.24	1.44	1.24
<b>Total non-current liabilities</b>	<b>13.15</b>	<b>3.91</b>	<b>13.15</b>	<b>3.91</b>
<b>Current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	53.45	63.87	53.45	63.87
(ii) Trade payables	6.79	8.30	6.79	8.30
(iii) Other financial liabilities	6.31	6.34	6.31	6.34
(iv) Lease liabilities (refer note 6)	1.25	-	1.25	-
(b) Provisions	1.73	1.66	1.73	1.66
(c) Current tax liabilities (net)	0.05	-	0.05	-
(d) Other current liabilities	0.59	0.62	0.59	0.62
<b>Total current liabilities</b>	<b>70.17</b>	<b>80.79</b>	<b>70.17</b>	<b>80.79</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>287.19</b>	<b>271.13</b>	<b>284.77</b>	<b>269.88</b>

By Order of the Board  
For Faze Three Limited



Ajay Anand  
Managing Director  
DIN: 00373248

Mumbai  
June 8, 2020

## Statement of Cash Flows for the year ended March 31, 2020

(Rs. in Crores)

Particulars	Standalone		Consolidated	
	Year Ended March 31, 2020 (Audited)	Year Ended March 31, 2019 (Audited)	Year Ended March 31, 2020 (Audited)	Year Ended March 31, 2019 (Audited)
<b>Cash flow from operating activities</b>				
Profit before tax	22.32	19.06	21.18	17.82
Adjustments for:				
Transfer from Revaluation Reserve	(0.14)	(0.14)	(0.14)	(0.14)
Depreciation and amortization expenses (including depreciation on right of use assets)	8.10	5.35	8.10	5.35
Finance cost (including interest on lease liabilities)	6.36	5.34	6.36	5.34
Interest income	(0.45)	(0.50)	(0.45)	(0.50)
Unrealised (Gain)/ loss on foreign exchange fluctuations (net)	(0.99)	0.43	(0.99)	0.43
<b>Operating profit before working capital changes</b>	<b>35.20</b>	<b>29.54</b>	<b>34.06</b>	<b>28.30</b>
<b>Changes in working capital</b>				
(Decrease)/Increase in trade payables	(1.51)	0.93	(1.51)	0.93
Decrease in inventories	5.94	4.08	5.85	5.47
Decrease/(Increase) in trade receivables	0.39	(5.30)	1.91	(5.25)
(Decrease)/Increase in other current liabilities	(0.03)	0.09	(0.03)	0.09
Increase/(Decrease) in other financial liabilities	0.66	(0.21)	0.66	(0.21)
(Increase)/ decrease in non-current financial assets	(0.57)	-	(0.57)	-
(Increase)/ decrease in current financial assets	-	0.04	-	0.04
(Decrease)/Increase in Employee benefit obligations	(0.08)	0.12	(0.08)	0.12
(Increase) in other non-current assets	(0.28)	-	(0.28)	-
(Increase)/ decrease in other current assets	(3.93)	10.38	(3.93)	10.38
<b>Cash generated from operations</b>	<b>35.79</b>	<b>39.67</b>	<b>36.08</b>	<b>39.87</b>
Income tax paid (net of refund)	(4.98)	(2.60)	(4.98)	(2.60)
<b>Net cash generated from operating activities (A)</b>	<b>30.81</b>	<b>37.07</b>	<b>31.10</b>	<b>37.27</b>
<b>Cash flow from Investing activities</b>				
Payment for purchase of property, plant and equipment	(10.51)	(9.83)	(10.51)	(9.83)
Net proceeds from sale of mutual fund	-	0.19	-	0.19
Investment in unquoted investment	(0.01)	-	(0.01)	-
Interest received	0.32	-	0.32	-
Proceeds from disposal of fixed assets	-	0.23	-	0.23
Proceeds from/Investment in fixed deposits	5.00	(5.95)	5.00	(5.95)
<b>Net cash used in investing activities (B)</b>	<b>(5.20)</b>	<b>(15.36)</b>	<b>(5.20)</b>	<b>(15.36)</b>
<b>Cash flow from Financing activities</b>				
Payment of interim dividend	(1.47)	(1.47)	(1.47)	(1.47)
Repayment of borrowings	(12.49)	(6.22)	(12.49)	(6.22)
Repayment of lease liability	(2.43)	-	(2.43)	-
Interest paid	(5.41)	(5.34)	(5.41)	(5.34)
<b>Net cash used in financing activities (C)</b>	<b>(21.80)</b>	<b>(13.03)</b>	<b>(21.80)</b>	<b>(13.03)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>3.81</b>	<b>8.68</b>	<b>4.10</b>	<b>8.88</b>
Cash and cash equivalents at the beginning of the year	10.90	2.22	11.17	2.29
Cash and cash equivalents at the end of the period	<b>14.71</b>	<b>10.90</b>	<b>15.27</b>	<b>11.17</b>
<b>Cash and cash equivalents comprise</b>				
Balances with banks				
In current accounts	13.07	1.46	13.63	1.73
Fixed deposits with original maturity of less than three months	-	2.00	-	2.00
Bank balance on EEFC account	1.60	7.40	1.60	7.40
Cash on hand	0.04	0.04	0.04	0.04
<b>Total cash and cash equivalents at end of the period</b>	<b>14.71</b>	<b>10.90</b>	<b>15.27</b>	<b>11.17</b>

By Order of the Board  
For Faze Three Limited
  
**Ajay Anand**  
 Managing Director  
 DIN: 00373248
Mumbai  
June 8, 2020

Notes to Audited Standalone and Consolidated Financial Results for quarter and year ended March 31, 2020

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 8, 2020. 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. Deferred tax assets includes net of Deferred tax assets and liabilities and MAT credit available as per the requirements of "Ind AS 12 - Income Taxes". Deferred tax assets (net) as on March 31, 2020 includes MAT credit of ₹ 8.87 crores.
6. The Company has adopted Ind AS 116 with modified retrospective approach, with effect from April 1, 2019 and applied the same to all lease contracts existing in force as on April 1, 2019. Accordingly, the comparatives for the quarter and year ended March 31, 2019 have not been restated. There is no impact of Ind AS 116 adoption to the retained earnings as at April 1, 2019. The Company has recognised ₹ 9.86 crores as right of use assets and the corresponding lease liability as on the date of transition i.e. April 1, 2019. The aforesaid right of use asset and corresponding lease liability is recognised for leased factory, office premises & PPE where terms of lease falls within Ind AS 116 warranting this accounting treatment. Both are non-cash adjustments to the financial statements. Further an amount of ₹ 0.63 crores has been reclassified from non-current assets to right of use assets for lease rentals. There is no material impact on profit after tax and earnings per share for the quarter and year ended March 31, 2020, on adoption of Ind AS 116. In the statement of profit and loss for the year, as per IND AS 116, interest cost of ₹ 1.01 crores and depreciation on right of use of ₹ 2.02 crores have been charged to profit and loss whereas the actual cash outflow during the year is ₹ 2.43 crores. On adoption of Ind AS 116 in the Statement of Audited Standalone and Consolidated financial results for the year, profit after tax for the year ended March 31, 2020 have resulted into additional charge of ₹ 0.60 crores.
7. COVID 19 was declared a global pandemic on 11th March 2020 and consequently the Government of India declared lockdown on 23 March 2020 until May 2020. The pandemic and lockdown impacted normal operations by way of interruption in production, supply chain disruption, customer order deferrals, unavailability of personnel, etc. However, Manufacturing and Exports commenced by first week of May 2020 in all units of the company based on permissions from relevant authorities. The Management has made a detailed assessment on recoverability and carrying value of its assets comprising of Property, Plant and Equipment, Right of use assets, Investments, Deferred Tax Assets, Inventory and Trade Receivables. Based on current visibility of future business environment, economic conditions and liquidity position of the company, the company expects to recover the carrying amount of all the assets.  
  
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, 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 its business.
8. The Board of Directors at its meeting held on March 3, 2020 declared Interim Dividend for FY 2019-20 of ₹. 0.50/- per fully paid equity share of ₹ 10/- each on 2,43,19,000 equity shares, total dividend payout being ₹ 1.22 crores and dividend distribution tax of ₹ 0.25 crores. The said dividend was paid to the shareholders of the Company on March 24, 2020.
9. The Government of India, on 20/09/2019, vide the Taxation Laws (Amendment) Ordinance 2019, inserted a new section 115BAA in the Income Tax Act, 1961, which provides an option to the Company for paying Income Tax at reduced rates as per the provisions/conditions defined in the said section. The Company has not opted to the said option in this year.
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).

Notes to Audited Standalone and Consolidated Financial Results for quarter and year ended March 31, 2020

11. The audited standalone and consolidated financial results for the three months ended March 31, 2020 and March 31, 2019 are the balancing figures between the audited figures for the full financial year then ended and year to date figures upto the third quarter of the respective financial years.
12. The figures for the previous period/year have been regrouped / reclassified wherever necessary, to make them comparable.

**Mumbai**  
**June 08, 2020**



**By Order of the Board**  
**For Faze Three Limited**

A handwritten signature in blue ink, appearing to be 'Ajay Anand'.

**Ajay Anand**  
**Managing Director**  
**DIN: 00373248**



June 08, 2020

Corporate Relationship Department  
BSE Limited,  
Rotunda Building,  
P.J. Towers, Dalal Street,  
Fort, 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 31<sup>st</sup> March, 2020**

**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 Financial Results of the Company for the quarter and year ended March 31, 2020 and Audited Consolidated Financial Results of the Company for the year ended March 31, 2020.

Thanking you,

Yours faithfully

**For FAZE THREE LIMITED**

*AO Parekh*



**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, 6<sup>th</sup> Floor, Wing C, Mittal Court, Nariman Point, Mumbai - 400021.

Tel. : 91 (22) 43514444, 66604600 \* Fax : 91 (22) 24936811 \* E-mail : [info@fazethree.com](mailto:info@fazethree.com) \* Website : [www.fazethree.com](http://www.fazethree.com)