



November 14, 2016

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

Dear Sirs,

Sub: Unaudited Financial Results for the Quarter and Half year ended 30<sup>th</sup> September, 2016  
Ref: STOCK CODE 530079 (FAZE THREE LIMITED)

Pursuant to Regulation 30 and Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, please find enclosed herewith following documents approved by the Board of Directors at their meeting held on 14<sup>th</sup> November, 2016:

1. Unaudited Financial Results for the quarter and half year ended 30<sup>th</sup> September, 2016;
2. Limited Review Report issued by Statutory Auditors;

The meeting of Board of Directors for considering and approval of aforesaid results commenced at 5.00 PM and ended at 7.15 PM.

Request you to kindly take the same on record.

Thanking you,

Yours faithfully  
For Faze Three Limited

*A.D. Parekh*  
Ankit Parekh  
Company Secretary



Encl: As above

FAZE THREE LIMITED

(CIN: L99999DN1985PLC000197)

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

Corporate Office 1-2 Shiv Smruti Chambers, 49-A, Dr. Annie Besant Road, Worli, Mumbai – 400 018

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)

**THAKUR, VAID YANATH AIYAR & CO.**  
CHARTERED ACCOUNTANTS  
NEW DELHI, MUMBAI, KOLKATTA, PATNA,  
CHENNAI, CHANDIGARH AND SECUNDERABAD

PHONE: 2284 25 02, 2287 00 67  
FAX NO. 2204 63 86  
11 - B, VATSA HOUSE,  
JANMABHOOMI MARG, FORT,  
MUMBAI --- 400 001.  
E-mail : tvamum@gmail.com

## LIMITED REVIEW REPORT

To  
The Board of Directors  
Faze Three Ltd.,  
1-2 Shiv Smriti Chambers,  
49-A Dr. Annie Besant Road,  
Worli, Mumbai 400 018.

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Result of **Faze Three Limited** (" the Company ") for the Quarter and Half Year ended September 30, 2016(" the Statement ") being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI ( Listing Obligation and Disclosure Requirement) Regulation, 2015. 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 the Accounting Standard 25 "Interim Financial Reporting" as prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
2. 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 statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For THAKUR, VAIDYANATH AIYAR & CO.  
CHARTERED ACCOUNTANTS  
Firm Registration No. 000038 N



C.V. PARAMESWAR  
PARTNER  
Membership No. 11541

Place: Mumbai  
Date: 14/11/2016





CIN No. 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 Financials Results for the Quarter and Half Year Ended 30th September 2016

₹ in Lacs

| Particulars  | Quarter ended | Quarter ended | Quarter ended | Half Year ended | Half Year ended | Year ended    |
|--|---------------|---------------|---------------|-----------------|-----------------|---------------|
|  | September 30, | June 30,      | September 30, | September 30    | September 30    | March 31,     |
|  | 2016          | 2016          | 2015          | 2016            | 2015            | 2016          |
|  | Reviewed      | Reviewed      | Reviewed      | Reviewed        | Reviewed        | Audited       |
| Income from operations (net of excise duty)                        | 4,459         | 4,897         | 5,527         | 9,356           | 11,080          | 22,032        |
| Other Operating Income   | 1,143         | 943           | 581           | 2,086           | 671             | 2,121         |
| <b>Total Income from operations</b>                                | <b>5,602</b>  | <b>5,840</b>  | <b>6,108</b>  | <b>11,442</b>   | <b>11,751</b>   | <b>24,153</b> |
| <b>Expenses</b>  |               |               |               |                 |                 |               |
| Cost of materials consumed   | 2,306         | 2,578         | 3,037         | 4,884           | 5,811           | 11,726        |
| Changes in inventories of finished goods & work-in-progress        | 174           | 651           | (221)         | 826             | (317)           | (794)         |
| Employee benefits expense  | 850           | 813           | 801           | 1,663           | 1,479           | 3,057         |
| Depreciation and amortization expense                              | 278           | 293           | 137           | 571             | 275             | 1,425         |
| Other expenses   | 1,553         | 1,710         | 2,111         | 3,263           | 4,008           | 7,317         |
| <b>Total expenses</b>  | <b>5,162</b>  | <b>6,044</b>  | <b>5,865</b>  | <b>11,207</b>   | <b>11,255</b>   | <b>22,731</b> |
| <b>Profit / (Loss) before other income, finance costs</b>          | <b>439</b>    | <b>(204)</b>  | <b>243</b>    | <b>235</b>      | <b>496</b>      | <b>1,422</b>  |
| Other Income   | 19            | 26            | 35            | 45              | 90              | 129           |
| <b>Profit / (Loss) before finance cost &amp; exceptional items</b> | <b>458</b>    | <b>(178)</b>  | <b>278</b>    | <b>280</b>      | <b>585</b>      | <b>1,551</b>  |
| Finance Costs  | 26            | 375           | 355           | 401             | 692             | 1,398         |
| <b>Profit / (Loss) before exceptional items</b>                    | <b>432</b>    | <b>(553)</b>  | <b>(77)</b>   | <b>(121)</b>    | <b>(106)</b>    | <b>153</b>    |
| Exceptional Items  | -             | -             | -             | -               | -               | -             |
| <b>Profit before Tax</b>   | <b>432</b>    | <b>(553)</b>  | <b>(77)</b>   | <b>(121)</b>    | <b>(106)</b>    | <b>153</b>    |
| Tax expense  | -             | -             | -             | -               | -               | -             |
| <b>Profit / (Loss) after Tax</b>                                   | <b>432</b>    | <b>(553)</b>  | <b>(77)</b>   | <b>(121)</b>    | <b>(106)</b>    | <b>153</b>    |
| Paid-up Equity Share capital (Face Value ₹ 10 / Share)             | 1,219         | 1,219         | 1,219         | 1,219           | 1,219           | 1,219         |
| Reserve excluding Revaluation Reserves                             | -             | -             | -             | -               | -               | (4,998)       |
| <b>Earnings per share</b>  |               |               |               |                 |                 |               |
| Basic  | 3.54          | (4.54)        | (0.63)        | (0.98)          | (0.87)          | 1.25          |
| Diluted  | 3.54          | (4.54)        | (0.63)        | (0.98)          | (0.87)          | 1.25          |

Notes:

- The above results were reviewed by the Audit committee and taken on record by the Board of Directors of the Company at their respective meetings held on 14th November 2016. The Statutory Auditors of the Company have reviewed the above results for the quarter and half year ended September 30, 2016 and given their report thereon.
- The Company has a single reportable segment viz Home Furnishing.
- The Company does not have any current tax liability for the quarter.
- The company has entered into settlement agreement with FCCB holders as detailed in the annexure to the results. Accordingly, Provision for Interest on FCCB (Finance cost) has been discontinued from the current quarter. Furthermore, Provision for Interest on FCCB (Finance Cost) for quarter ended June 2016, ₹ 163.64 Lacs, has been credited / reversed in the current quarter.
- During the previous quarter, there were delays in sourcing of Raw Materials / Inputs which in turn delayed some of the shipments. To avoid penalties and cancellation, company had to offer compensation by way of reduction of prices to accommodate the delays. The aforesaid had impacted the financial results during the previous quarter. The delay was caused due to unavailability of eligible working capital credit to the company, otherwise available in earlier periods, due to unavoidable circumstances. The working capital credit to the extent of eligibility has been restored during the current quarter.
- The previous year figures have been regrouped / reclassified wherever necessary.
- This statement is as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

By Order of the Board  
For Faze Three Limited

Ajay Anand  
Managing Director  
DIN: 373248




Mumbai  
November 14, 2016





Statement of Assets & Liabilities as at September 30, 2016

| Particulars  | (₹ in Lacs)                                      |   |
|--|--|---|
|  | As at<br>September 30, 2016<br>(₹)<br>(Reviewed) | As at<br>March 31, 2016<br>(₹)<br>(Audited) |
| <b>EQUITY AND LIABILITIES</b>  |  |   |
| <b>Shareholders' funds</b>   |  |   |
| Share capital  | 1,219  | 1,219                                       |
| Reserves and surplus   | (5,123)  | (4,998)                                     |
| <b>Sub-Total-Shareholders' Fund</b>  | <b>(3,904)</b>                                   | <b>(3,779)</b>                              |
| <b>Non-current liabilities</b>   |  |   |
| Long-term borrowings   | 56   | 4   |
| Deferred tax liabilities (Net)   | 1,390  | 1,390                                       |
| Other Long Term Liabilities  | 306  | 560   |
| Long-term provisions   | 284  | 277   |
| <b>Sub-Total-Non-Current Liabilities</b>   | <b>2,036</b>                                     | <b>2,231</b>                                |
| <b>Current liabilities</b>   |  |   |
| Short-term borrowings  | 5,504  | 5,917                                       |
| Trade payables   | 1,870  | 1,843                                       |
| Other current liabilities  | 16,662   | 16,309                                      |
| Short-term provisions  | 957  | 767   |
| <b>Sub-Total-Current Liabilities</b>   | <b>24,993</b>                                    | <b>24,836</b>                               |
| <b>Total Equity and Liabilities</b>  | <b>23,124</b>                                    | <b>23,289</b>                               |
| <b>ASSETS</b>  |  |   |
| <b>Non-current assets</b>  |  |   |
| Fixed assets   |  |   |
| (i) Tangible assets  | 6,199  | 6,538                                       |
| Non-current investments  | 37   | 37  |
| Long-term loans and advances   | 140  | 117   |
| <b>Sub-Total-Non-Current Assets</b>  | <b>6,377</b>                                     | <b>6,692</b>                                |
| <b>Current assets</b>  |  |   |
| Inventories  | 7,674  | 8,151                                       |
| Trade receivables  | 4,019  | 5,191                                       |
| Cash and cash equivalents  | 381  | 214   |
| Short-term loans and advances  | 7  | 34  |
| Other assets   | 4,667  | 3,007                                       |
| <b>Sub-Total-Current Assets</b>  | <b>16,747</b>                                    | <b>16,597</b>                               |
| <b>Total Assets</b>  | <b>23,124</b>                                    | <b>23,289</b>                               |
| By Order of the Board<br>For Faze Three Limited<br><br>Ajay Anand<br>Managing Director |  |   |
| Mumbai<br>November 14, 2016  |  |   |





October 10, 2016

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

Dear Sir(s),

**Sub: Update on FCCB default / redemption**

Ref: Faze Three Limited (STOCK CODE: 530079)

The Company had issued USD 8 Million Foreign Currency Convertible Bonds (FCCBs) in December 2006, convertible into Equity Shares of the company on the following terms [Each USD 1000 bond to be converted into 526 (rounded) number of Equity shares (face value 10 each) at predetermined rate of USD / INR, 44.74 and predetermined rate of Rs. 85 per Equity share as per original terms of the Issue of FCCBs] on or before December 2011 at the option of the holders. The said bonds were not converted by December 2011, therefore due for redemption at principal plus redemption premium in December 2011. Due to the adverse financial position encountered by the company during 2010-2012 owing to the liquidation of the acquired German subsidiary, adverse USD/INR rate movement and other financial issues, the company had defaulted on redemption of FCCBs on its due date. Post the default, certain bondholders had preferred a petition against the company under section 433, sec. 434 and sec. 439 of the Companies Act, 1956 before the Bombay High Court in July 2012. As on March 31, 2012 the Company's Networth was fully eroded and therefore the company had to be referred to the Board of Industrial and Financial Reconstruction (BIFR) as per the mandatory requirement under Sick Industrial Companies Act, 1985 (SICA). The company has been referred to BIFR since September 2012 and the petition filed against the company as aforesaid had been adjourned sine die since then. The company and majority of Bondholders (98.75%) have now arrived at a settlement and agreed to file consent terms with Bombay High Court within couple of weeks memorialising the terms and conditions of settlement between them. As per the said terms, the company has to redeem the FCCBs for a maximum amount of USD 6.25 million on or before March 31, 2017 as full payment for satisfaction of all dues on account of FCCBs being outstanding principal of USD 8 Million plus redemption premium and accrued interest till date. The aforesaid payout is to be done in 2 tranches, viz, USD 2.25 Million by October 2016 and balance on or before March 31, 2017. In the event of default in payment, the agreed terms with the bondholders would be voidable at the option of the bondholders and entire amount due shall be re-instated as if the settlement was void-ab-initio.

This is for the information of the stakeholders. You are requested to kindly take the same on record and bring it to the notice of your constituents.

Thanking you

Yours faithfully,  
For Faze Three Limited

*A.D. Parekh*  
Ankit Parekh  
Company Secretary



FAZE THREE LIMITED

(CIN: L99999DN1985PLC000197)

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

Corporate Office 1-2 Shiv Smruti Chambers, 49-A, Dr. Annie Besant Road, Worli, Mumbai – 400 018

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)



October 27, 2016

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

Dear Sir(s),

**Sub: Update on FCCB redemption**

Ref: Faze Three Limited (STOCK CODE: 530079)

Further to the announcement made by the Company on October 10, 2016 on the captioned subject, the payment of 1st Tranche of approx. USD 2.25 Million has been made to various Bondholders as per the agreed terms, being on or before October 31, 2016.

This is for the information of the stakeholders. You are requested to kindly take the same on record and bring it to the notice of your constituents.

Thanking you

Yours faithfully,  
For Faze Three Limited

*A.D. Parekh*  
Ankit Parekh  
Company Secretary



FAZE THREE LIMITED

(CIN: L99999DN1985PLC000197)

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

Corporate Office 1-2 Shiv Smruti Chambers, 49-A, Dr. Annie Besant Road, Worli, Mumbai – 400 018

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)