

November 03, 2020

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 half year ended September 30, 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 half year ended September 30, 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 01.45 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

**Independent Auditor's Review Report on Standalone Unaudited Quarterly and Year to Date
Financial Results of 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 September 30, 2020 and the year to-date results for the period April 01, 2020 to September 30, 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.
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: 20101739AAAAGK2335

Place: Mumbai
Date: November 03, 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 Unaudited Financial Results for the quarter and half year ended September 30, 2020

(₹ in Crores)

Particulars	Standalone					
	Quarter Ended			Half Year Ended		Year Ended
	September 30, 2020	June 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019	March 31, 2020
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I Revenue from operations (refer note 5)	80.12	40.09	69.93	120.21	144.40	302.19
II Other income	0.27	0.10	3.74	0.37	4.91	4.12
III Total Income (I + II)	80.39	40.19	73.67	120.58	149.31	306.31
IV Expenses						
(a) Cost of materials consumed and other inputs	37.40	16.76	34.49	54.16	66.40	132.63
(b) Changes in inventories of finished goods and work-in-progress	(1.47)	(1.16)	(0.97)	(2.63)	3.84	5.50
(c) Employee benefits expense	12.17	9.57	13.26	21.74	26.03	52.26
(d) Finance costs	1.27	1.38	2.19	2.65	4.00	8.61
(e) Depreciation and amortisation expense	2.10	2.06	1.84	4.16	3.77	7.96
(f) Other expenses	20.27	8.55	17.10	28.82	33.90	77.03
Total expenses (IV)	71.74	37.16	67.91	108.90	137.94	283.99
V Profit before exceptional items and tax (III-IV)	8.65	3.03	5.76	11.68	11.37	22.32
VI Exceptional Items	-	-	-	-	-	-
VII Profit before tax (V-VI)	8.65	3.03	5.76	11.68	11.37	22.32
VIII Tax expense						
(a) Current tax (refer note 7)	2.39	0.88	1.16	3.27	2.49	4.24
(b) Deferred tax (net)	0.16	0.02	(0.21)	0.18	(0.63)	(1.20)
Total tax expense (VIII)	2.55	0.90	0.95	3.45	1.86	3.04
IX Profit for the period / year (VII-VIII)	6.10	2.13	4.81	8.23	9.51	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)	(0.08)	(0.07)	(0.15)	(0.14)	(0.35)
(b) Tax relating to items that will not be reclassified to profit or loss	0.03	0.02	0.03	0.05	0.05	0.10
Other comprehensive income for the period / year (X)	(0.04)	(0.06)	(0.04)	(0.10)	(0.09)	(0.25)
XI Total comprehensive income (IX+X)	6.06	2.07	4.77	8.13	9.42	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	2.51	0.88	1.98	3.38	3.91	7.93
Diluted (refer note 4)	2.51	0.88	1.98	3.38	3.91	7.93

Notes as annexed to this Financial Results

Mumbai
November 03, 2020



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 September 30, 2020 and the year to-date results for the period from April 01, 2020 to September 30, 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 entity:

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 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. 1.54 crores as at September 30, 2020, total revenue of Rs. 1.49 crores and net profit after tax of Rs. 0.02 crores for the quarter ended September 30, 2020. Total revenue of Rs. 2.37 crores and net profit after tax of Rs. 0.01 crores for the period from April 01, 2020 to September 30, 2020 and net cash outflow of Rs. 0.56 crores for the six months ended September 30, 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: 20101739AAAAGL6200

Place: Mumbai
Date: November 03, 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 Unaudited Financial Results for the quarter and half year ended September 30, 2020

(₹ in Crores)

Particulars	Consolidated					
	Quarter Ended			Half Year Ended		Year Ended
	September 30, 2020	June 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019	March 31, 2020
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I Revenue from operations	80.69	40.84	70.35	121.53	144.85	302.17
II Other income	0.27	0.10	3.74	0.37	4.91	4.12
III Total Income (I + II)	80.96	40.94	74.09	121.90	149.76	306.29
IV Expenses						
(a) Cost of materials consumed and other inputs	37.47	17.26	35.11	54.73	67.02	132.56
(b) Changes in inventories of finished goods and work-in-progress	(1.48)	(1.19)	(1.03)	(2.67)	3.84	5.51
(c) Employee benefits expense	12.17	9.57	13.26	21.74	26.03	52.26
(d) Finance costs	1.27	1.39	2.19	2.66	4.00	8.61
(e) Depreciation and amortisation expense	2.10	2.06	1.84	4.16	3.77	7.96
(f) Other expenses	20.76	8.80	17.33	29.56	34.58	78.21
Total expenses (IV)	72.29	37.89	68.70	110.18	139.24	285.11
V Profit before exceptional items and tax (III-IV)	8.67	3.05	5.39	11.72	10.52	21.18
VI Exceptional Items	-	-	-	-	-	-
VII Profit before tax (V-VI)	8.67	3.05	5.39	11.72	10.52	21.18
VIII Tax expense						
(a) Current tax	2.39	0.88	1.16	3.27	2.49	4.24
(b) Deferred tax (net)	0.16	0.02	(0.21)	0.18	(0.63)	(1.20)
Total tax expense (VIII)	2.55	0.90	0.95	3.45	1.86	3.04
IX Profit for the period / year (VII-VIII)	6.12	2.15	4.44	8.27	8.66	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)	(0.08)	(0.07)	(0.15)	(0.14)	(0.35)
(b) Tax relating to items that will not be reclassified to profit or loss	0.03	0.02	0.03	0.05	0.05	0.10
	(0.04)	(0.06)	(0.04)	(0.10)	(0.09)	(0.25)
Items that will be reclassified to profit or loss						
(a) Exchange differences on translation of a foreign operation (refer note 10)	0.00	0.00	-	0.00	-	-
(b) Income tax effect on above	0.00	0.00	-	0.00	-	-
	0.00	0.00	-	0.00	-	-
Other comprehensive income for the period / year (X)	(0.04)	(0.06)	(0.04)	(0.10)	(0.09)	(0.25)
XI Total comprehensive income (IX+X)	6.08	2.09	4.40	8.17	8.57	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	2.52	0.88	1.83	3.40	3.56	7.46
Diluted (refer note 4)	2.52	0.88	1.83	3.40	3.56	7.46

Notes as annexed to this Financial Results

Mumbai
November 03, 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 September 30, 2020

(₹ in Crores)

Particulars	Standalone		Consolidated	
	As at September 30, 2020 (Unaudited)	As at March 31, 2020 (Audited)	As at September 30, 2020 (Unaudited)	As at March 31, 2020 (Audited)
ASSETS				
Non-current assets				
(a) Property, plant and equipment	128.41	124.62	128.41	124.62
(b) Capital work-in-progress	0.73	0.76	0.73	0.76
(c) Right of use assets	11.03	12.14	11.03	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	1.92	1.98	1.92	1.98
(f) Deferred tax assets (net) (refer note 8)	4.80	6.30	4.80	6.30
Total Non-current assets	151.96	150.77	149.52	148.33
Current assets				
(a) Inventories	63.35	59.76	63.69	60.77
(b) Financial assets				
(i) Trade receivables	51.86	45.55	51.65	44.00
(ii) Cash and cash equivalents	14.10	14.71	14.10	15.27
(iii) Bank balances other than cash and cash equivalents	30.03	1.02	30.03	1.02
(iv) Other financial assets	0.18	0.07	0.18	0.07
(c) Current tax assets (net)	2.77	1.17	2.77	1.17
(d) Other current assets (refer note 9)	13.48	14.14	13.48	14.14
Total current assets	175.77	136.42	175.90	136.44
TOTAL - ASSETS	327.73	287.19	325.42	284.77
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	24.32	24.32	24.32	24.32
(b) Other equity	187.62	179.55	185.24	177.13
Total equity	211.94	203.87	209.56	201.45
Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	1.18	1.20	1.18	1.20
(ii) Lease liabilities	9.78	10.51	9.78	10.51
(b) Provisions	1.55	1.44	1.55	1.44
Total non-current liabilities	12.51	13.15	12.51	13.15
Current liabilities				
(a) Financial liabilities				
(i) Borrowings (refer note 6)	77.43	53.45	77.43	53.45
(ii) Trade payables	9.81	6.79	9.88	6.79
(iii) Other financial liabilities	10.26	6.31	10.26	6.31
(iv) Lease liabilities	1.37	1.25	1.37	1.25
(b) Provisions	1.51	1.73	1.51	1.73
(c) Current tax liabilities (net)	2.03	0.05	2.03	0.05
(d) Other current liabilities	0.87	0.59	0.87	0.59
Total current liabilities	103.28	70.17	103.35	70.17
TOTAL - EQUITY AND LIABILITIES	327.73	287.19	325.42	284.77



By Order of the Board
For Faze Three Limited

Ajay Anand
Managing Director
DIN: 00373248

Mumbai
November 03, 2020

FAZE THREE LIMITED
Statement of Standalone & Consolidated Cash Flows for the half year ended September 30, 2020

(Rs. In crores)

Particulars	Standalone		Consolidated	
	Period ended September 30, 2020	Year ended March 31, 2020	Period ended September 30, 2020	Year ended March 31, 2020
	Unaudited	Audited	Unaudited	Audited
Cash flow from operating activities				
Profit before tax	11.68	22.32	11.72	21.18
Adjustments for:				
Depreciation and amortization expenses (including depreciation on right of use assets)	4.16	7.96	4.16	7.96
Finance cost (including interest on lease liabilities)	1.99	6.36	1.99	6.36
Interest income	(0.24)	(0.45)	(0.24)	(0.45)
Unrealised (Gain)/ loss on foreign exchange fluctuations (net)	(1.00)	(1.06)	(1.00)	(1.06)
Operating profit before working capital changes	16.59	35.13	16.63	33.99
Changes in working capital				
(Decrease)/Increase in trade payables	3.02	(1.51)	3.09	(1.51)
(Increase)/Decrease in inventories	(3.59)	5.94	(2.92)	5.85
(Increase)/Decrease in trade receivables	(5.23)	0.39	(6.57)	1.91
Increase/(Decrease) in other current liabilities	0.28	(0.03)	0.28	(0.03)
Increase in other financial liabilities	3.94	0.66	3.94	0.66
(Increase) in non-current financial assets	(0.10)	(0.57)	(0.10)	(0.57)
(Increase) in current financial assets	(0.11)	-	(0.11)	-
(Decrease) in Employee benefit obligations	(0.11)	(0.08)	(0.11)	(0.08)
Decrease/(Increase) in other non-current assets	0.06	(0.28)	0.06	(0.28)
Decrease/(Increase) in other current assets	0.66	(3.93)	0.66	(3.93)
Cash generated from operations	15.41	35.72	14.85	36.01
Income tax paid (net of refund)	(1.65)	(4.98)	(1.65)	(4.98)
Net cash generated from operating activities (A)	13.76	30.74	13.20	31.03
Cash flow from Investing activities				
Payment for purchase of property, plant and equipment	(6.89)	(10.51)	(6.89)	(10.51)
Investment in unquoted investment	-	(0.01)	-	(0.01)
Interest received	0.24	0.32	0.24	0.32
Proceeds from/Investment in fixed deposits	(29.00)	5.00	(29.00)	5.00
Net cash used in investing activities (B)	(35.65)	(5.20)	(35.65)	(5.20)
Cash flow from Financing activities				
Payment of interim dividend	-	(1.47)	-	(1.47)
Proceeds / (Repayment) of borrowings (net)	23.96	(12.49)	23.96	(12.49)
Repayment of Lease Liabilities	(0.61)	(2.43)	(0.61)	(2.43)
Interest paid	(1.99)	(5.41)	(1.99)	(5.41)
Net cash generated from / (used in) financing activities (C)	21.36	(21.80)	21.36	(21.80)
Net increase in cash and cash equivalents (A+B+C)	(0.53)	3.74	(1.09)	4.03
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	(0.08)	0.07	(0.08)	0.07
Cash and cash equivalents at the end of the period/year	14.10	14.71	14.10	15.27
Cash and cash equivalents comprise				
Balances with banks				
In current accounts	1.27	13.07	1.27	13.63
Bank balance on EEFC account	12.78	1.60	12.78	1.60
Cash on hand	0.05	0.04	0.05	0.04
Total cash and cash equivalents at end of the period/year	14.10	14.71	14.10	15.27

Notes as annexed to this Financial Results

Mumbai
November 03, 2020

By Order of the Board
For Faze Three Limited


Ajay Anand
Managing Director
DIN: 00373248

Notes to Unaudited Standalone and Consolidated Financial Results for quarter and half year ended September 30, 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 November 03, 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. Revenue from Operations for the quarter ended June 30, 2020 was ₹ 40.09 crores, the same is not comparable to any quarters due to manufacturing interruption owing to COVID lockdown norms, safety measures and time taken for full resumption.
6. As on September 30, 2020, total Borrowings stands at ₹ 77.43 crores (March 31, 2020: ₹ 53.45 crores) and Net Borrowings of ₹ 33.31 crores (March 31, 2020: ₹ 37.72 crores). Net Borrowings: Borrowings less Cash and Cash Equivalents and Fixed Deposits placed with bank.
7. The Government of India, on September 20, 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 opted to continue with the old tax regime for the current financial year. Therefore, the effective tax rate for FY 20-21 is 29.55% versus average effective tax rate of 13.64% for FY 19-20, after adjusting for brought forward losses which were utilised and exhausted during FY 19-20.
8. 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 September 30, 2020 includes MAT credit of ₹ 7.54 crores (March 31, 2020 of ₹ 8.87 crores).
9. 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).
10. 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.
11. The figures for the previous period/year have been regrouped / reclassified wherever necessary, to make them comparable.
12. For more details on Business and full year guidance, kindly refer the annexed press release.

Mumbai
November 03, 2020



By Order of the Board
For Faze Three Limited


Ajay Anand
Managing Director
DIN: 00373248

PRESS RELEASE

Faze Three Limited announces its financial results for the quarter and half year ended September 30, 2020

Business Update & Key Highlights:

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) Sept 2020 stood at Rs. 80.39 Crs versus Rs. 73.67 Crs for QE Sept 2019.
Total Income for Half year ended (HYE) Sept 2020 stood at Rs 120.58 Crs vs Rs 149.31 Crs for HYE Sept 2019

Net Profit Before Tax for HYE Sept 2020 stood at Rs 11.68 Crs versus Rs. 11.37 Crs for HYE Sep 2019.

*Net Profit after Tax for HYE Sept 2020 stood at Rs 8.13 Crs versus Rs. 9.42 Crs for HYE Sep 2019.

(*Company has opted to continue with the old Corporate Income Tax regime for the current year. Therefore, the effective tax rate for FY 2021 is 29.55% versus 13.64% for FY 2020 after adjustments for B/F tax losses exhausted during FY 20 (refer note 7 to financial results)).

FY 2021 –Full Year Guidance:

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

- a) The Total Income (TI) and Net Profit after Tax (NPAT) for H2 of FY 2021 (Oct 20-Mar21) is estimated / projected to exceed H2 of FY 2020 (Oct 19 to March 20) by ~3-6% and ~15-25% respectively. TI and NPAT for H2 of FY 2020 were reported at ~INR 158 Crs and ~INR 9.77 Crs respectively.
- b) Projection / expectation for H2 of FY 2021 is subject to assumption that no abnormal uncertainty or a second complete lockdown owing to COVID pandemic is declared.
- c) The company has undertaken a Capital expenditure (Capex) of over ~Rs 36 Crs from internal accruals over last 36 months. 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. The company expects to continue improve the growth momentum in the coming year with improved capacity utilization alongside benefits of Capex.

Borrowings:

The company is rated BBB+ by CARE ratings (reaffirmed on July 22, 2020) for company's sanctioned limits of export credit of INR 87 Crs. The Company has Nil Long Term Repayable debt.

Total Borrowings stands at INR Rs 77.43 Crs, Net Borrowings of INR 33.31 Crs. (Net Borrowings is Borrowings less Cash and Cash Equivalents of INR 14.10 Crs and Bank balances - Fixed Deposits of INR Rs 30.00 Crs). The said fixed deposits are placed at higher ROI than net ROI of incremental borrowings.

Other Update:

On 20 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.