

NOTICE
26th Annual General Meeting of
FAZE THREE Autofab Limited

NOTICE is hereby given that the **Twenty Sixth Annual General Meeting** of the Shareholders of **FAZE THREE Autofab Limited** will be held on **Friday, September 22, 2023 at 10.30 a.m.**, through Video Conferencing (“VC”) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended March 31, 2023 together with the Reports of the Board of Directors and the Auditors thereon. - **Ordinary Resolution.**
2. To appoint a Director in place of Mr. Viswanathan Sivakumar (DIN: 09211111) who retires by rotation and being eligible, offers himself for re-appointment. - **Ordinary Resolution.**

SPECIAL BUSINESS:

3. **Approval of Material Related Party Transactions.**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to Regulations 2(1) (zc), 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (‘SEBI Listing Regulations’), and the provisions of Section 188 of the Companies Act, 2013 (“Act”) and other applicable provisions, if any, read with Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 as amended till date, and the Company’s Policy on ‘Materiality of Related Party Transactions and on dealing with Related Party Transaction(s)’, and based on the approval of the Audit Committee and recommendation of the Board of Directors of the Company, consent of the Members be and is hereby accorded to the Board of Directors (hereinafter referred to as the 'Board', which term shall be deemed to include any Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this resolution), to continue with the existing contract(s)/arrangement(s)/transaction(s)/agreement(s) and/or enter into and/or carry out new contract(s)/arrangement(s)/transaction(s)/agreement(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise), as detailed in the Explanatory Statement with Faze Three Limited (“FTL”), a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the SEBI Listing Regulations on such terms and conditions as may be agreed between the Company and FTL, for an aggregate value not exceeding INR 87.50 Crores (Indian Rupees Eighty Seven Crores and Fifty Lakhs) (excluding applicable taxes) during the financial year 2024-2025, subject to such contract(s)/arrangement(s)/transaction(s)/agreement(s) being carried out at arm’s length and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board be and is hereby severally authorised to execute all such agreements, documents, instruments and writings as deemed necessary, with power to alter and vary the terms and conditions of such contract(s)/ arrangement(s)/ transaction(s)/agreement(s), settle all questions, difficulties or doubts that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have approved, ratified and confirmed in all respects thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board, be and is hereby authorized to delegate all or any of the powers herein conferred, to any Director(s) or Chief Financial Officer or Company Secretary or any other Officer(s)/Authorized Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution(s)”.

4. Re-appointment of Mr. Viswanathan Sivakumar (DIN: 09211111) as a Whole-time Director designated as 'Executive Director & CFO'.

To Consider and if, thought fit, to pass the following resolution as a Special Resolution:

RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, and 203 read with Schedule V and all other applicable provisions, if any, of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof for time being in force] and based on the recommendations of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company, approval of the members of the Company be and is hereby accorded for the re-appointment of Mr. Viswanathan Sivakumar (DIN: 09211111) as a Whole time Director, designated as 'Executive Director & CFO', for a period of Three (3) years with effect from June 25, 2024, liable to retire by rotation, on the terms and conditions as to remuneration and otherwise as set out, hereunder:

- a. Salary: Rs 2,80,000/- per month with an annual increase based on recommendation of the Nomination and Remuneration Committee and approval of Board, subject to a maximum of Rs 4,00,000/- per month;
- b. Provident Fund as per the rules of the Company;
- c. Gratuity & Leaves as per the rules of the Company.

RESOLVED FURTHER THAT when in any financial year, the Company has no profits or its profits are inadequate during the tenure of services of Mr. Viswanathan Sivakumar, the remuneration including the perquisites as approved by the Board of Directors (including committees thereof) shall be paid to him in accordance with the applicable provisions of the Companies Act, 2013 read with the Rules made thereunder and Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors or a duly constituted Committee thereof and/or the Company Secretary, be and are hereby severally authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

Place: Mumbai
Date: August 14, 2023

By Order of the Board of Directors,
FAZE THREE Autofab Limited

Registered Office address:
Plot No. 445, Waghdhara Village Road, Dadra, UT of Dadra and Nagar
Haveli and Daman and Diu – 396 193

Sd/-
Akram Sati
Company Secretary
Mem. No.: A50020

CIN: L17120DN1997PLC000196
Website: www.fazethreeautofab.com
Email id: cs@fazethreeautofab.com
Tel: 0260 6732 600 / 022 43514 444

Notes:

1. An Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 (the “Act”), in respect of business to be transacted at the 26th Annual General Meeting (“AGM”), with regard to the special business as set out under Item No. 3, 4 above and the relevant details of the Director retiring by rotation as mentioned under Item No. 2 above as required by Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and as required under Secretarial Standards – 2 on General Meetings issued by the Institute of Company Secretaries of India, is annexed thereto.
2. In view of the outbreak of COVID 19 pandemic early in the year 2020 and the restrictions on movement of people and social distancing norms which followed and which are still in place, the Ministry of Corporate Affairs allowed conducting Annual General Meetings (hereinafter referred to as ‘AGM’) through Video Conference (VC) or Other Audio-Visual Means (OAVM) up to September 30, 2023. Therefore, pursuant to the general circular no. 10/2022 dated 28th December, 2022 read with general circular nos. 2/2022 dated 5th May, 2022, no. 21/2021 dated 14th December, 2021, no. 02/2021 dated 13th January, 2021, no. 14/2020 dated 8th April, 2020, no. 17/2020 dated 13th April, 2020 and no. 20/2020 dated 5th May, 2020 issued by the Ministry of Corporate Affairs (“MCA circulars”) read with circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5th January, 2023 issued by the Securities and Exchange Board of India (“SEBI”), the 26th Annual general meeting (“AGM”) of the members of the Company will be held through video conferencing (VC). The Company has availed the services of National Securities Depository Limited (“NSDL”) for the VC and E-voting arrangements. The detailed procedure for participating in the meeting through VC is annexed herewith (Serial No. 19).
3. In compliance with the MCA Circulars and SEBI Circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5th January, 2023 issued by the Securities and Exchange Board of India (“SEBI circular”), the Notice of 26th AGM and Annual Report for the financial year 2022-23 are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s). The Notice of 26th AGM along with Annual Report for the financial year 2022-23, is available on the website of the Company at www.fazethreeautofab.com, on the website of Stock Exchange i.e. BSE Limited at www.bseindia.com, and on the website of NSDL at www.evoting.nsdl.com
4. Since the AGM is being conducted through Video Conferencing, there is no provision for the appointment of proxies and hence proxy form and attendance slip are not included in this notice. The members will have to make themselves available at the scheduled time if they wish to attend the meeting.
5. Members will be eligible to participate on a first come first serve basis, as participation through VC is limited and will be closed on expiry of 15 minutes from the scheduled time of the AGM. Members can login and join 15 (fifteen) minutes prior to the scheduled time of the meeting and the window for joining shall be kept open till the expiry of 15 (fifteen) minutes after the scheduled time.
6. Members who wish to raise queries/questions may write an email with their queries / questions in advance mentioning their Name, DP ID & Client ID/ Folio number and Mobile number at cs@fazethreeautofab.com. The same will be addressed to and answered by the Company representative at the AGM. Queries received by the Company till 5.00 p.m. on Tuesday, September 19, 2023 shall only be considered and responded suitably.
7. The Register of Members and Share transfer books of the Company will remain closed from Thursday, September 21, 2023 to Friday, September 22, 2023, both days inclusive.
8. The Company has made necessary arrangements for the members to register their e-mail address on temporary basis:
 - a) Members holding shares in physical form and who have not registered their email addresses with the Company/ Link Intime India Private Limited (Company’s Registrar and Share Transfer Agent) may get their email addresses registered by visiting link - https://linkintime.co.in/emailreg/email_register.html and thereafter select the Company name from drop box and provide the details such as Folio Number, Share Certificate Number, Shareholder’s Name, PAN , Mobile Number, Email ID and upload the image of share certificate and PAN card in PDF or JPEG format (up to 1MB).

- b) Please note that in case the shares are held in electronic form, the above facility is only for temporary registration of email address for receipt of the Notice of 26th AGM and the Annual Report for financial year 2022-23. Members holding shares in dematerialised mode are requested to register their email addresses with their respective Depository Participant.
9. The facility for registration of bank details for the Members holding shares in physical form is also available at https://linkintime.co.in/emailreg/email_register.html by providing details such as Bank Account No., Bank Name, IFSC code and also upload self-attested cancelled cheque leaf along with duly signed request letter.
 10. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode. Members can inspect the same by sending an email to cs@fazethreeautofab.com.
 11. Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of Listing Regulations, the Company is pleased to provide the facility to the Members to exercise their right to vote on the resolutions proposed to be passed at the AGM by electronic means. The Members, whose names appear in the Register of Members/list of Beneficial Owners as on **Friday, September 15, 2023**, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. Members may cast their votes on electronic voting system from any place other than the venue of the meeting (remote e-voting). The remote e-voting period will commence on **Tuesday, September 19, 2023 at 9.00 a.m. (IST)** and will end on **Thursday, September 21, 2023 at 5.00 p.m. (IST)**.
 12. The voting right of members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being **Friday, September 15, 2023**.
 13. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to ankitdparekh@adparekh.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution/ Authority Letter" displayed under "e- voting" tab in their login.
 14. Members who are present in the meeting through a video conferencing facility and have not cast their vote on resolutions through remote e-voting, shall be allowed to vote through the e-voting system during the meeting.
 15. The attendance of the Members attending the AGM through VC will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
 16. The Board of Directors has appointed A.D. Parekh & Associates, Practicing Company Secretary (Membership No. 31990, CP No. 24267), as the Scrutinizer for scrutinizing the voting process for the AGM in a fair and transparent manner and he has communicated his willingness to be appointed for the said purpose.
 17. The Scrutinizer shall after the conclusion of e-Voting at the 26th AGM, download the votes cast at the AGM and unblock the votes cast through remote e-voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such Report shall then be sent to the Chairman or a person authorized by him, not later than two working days from the conclusion of the 26th AGM, who shall then countersign and declare the result of the voting forthwith. Results of the voting will be declared by placing the same along with the Scrutinizer's report on the Company's website at www.fazethreeautofab.com and on the website of NSDL at www.evoting.nsdl.com and will also be communicated to BSE Limited at www.bseindia.com.
 18. Since the AGM will be held through Video Conferencing, route map of venue of the AGM and admission slip is not attached to this Notice.

19. THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER: -

The remote e-voting period begins on **Tuesday, September 19, 2023 at 9.00 a.m. (IST)** and will end on **Thursday, September 21, 2023 at 5.00 p.m. (IST)**. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. **Friday, September 15, 2023**, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being **Friday, September 15, 2023**.





STEP 1: ACCESS TO NSDL E-VOTING SYSTEM

A. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none">Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jspVisit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.

	<p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000</p>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33</p>

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
 - a) Click on “**Forgot User Details/Password?**”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?**” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

STEP 2: CAST YOUR VOTE ELECTRONICALLY AND JOIN GENERAL MEETING ON NSDL E-VOTING SYSTEM.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

GENERAL GUIDELINES FOR SHAREHOLDERS:

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to sanjayrd65@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to (Name of NSDL Official) at evoting@nsdl.co.in

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL IDS ARE NOT REGISTERED WITH THE DEPOSITORIES FOR PROCURING USER ID AND PASSWORD AND REGISTRATION OF E MAIL IDS FOR E-VOTING FOR THE RESOLUTIONS SET OUT IN THIS NOTICE:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to cs@fazethreeautofab.com.

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to cs@fazethreeautofab.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively, shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

- i. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
- ii. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.
- iii. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
- iv. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- i. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
- ii. Members are encouraged to join the Meeting through Laptops for better experience.
- iii. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- iv. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

20. OTHERS:

- i. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed forms as available on the website of the RTA at <https://web.linkintime.co.in/client->

[downloads.html](#) and on the website of the Company at [https://www.fazethreeautofab.com/web/investor/17NOTICE FOR PHYSICAL SHAREHOLDERS.html](https://www.fazethreeautofab.com/web/investor/17NOTICE_FOR_PHYSICAL_SHAREHOLDERS.html) .

It may be noted that any service request can be processed only after the folio is KYC Compliant.

- ii. The physical shareholders are requested to take note of the SEBI circular no. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, prescribing the common and simplified norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC details and Nomination. It may be noted that any service request or complaint can be processed only after the folio is KYC compliant. In terms of above Circular, Folios of Physical shareholders wherein any one of the above said details such as PAN, email address, mobile number, bank account details and nomination are not available, are required to be frozen with effect from October 1, 2023 and such physical shareholders will not be eligible to lodge grievance or avail service request from the RTA of the Company and will not be eligible for receipt of dividend in physical mode. Shareholders holding shares in physical form are requested to ensure that their PAN is linked to Aadhaar to avoid freezing of folios. As per the said SEBI Circular, the frozen folios shall be referred by RTA/ Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and or Prevention of Money Laundering Act, 2002, if they continue to remain frozen as on December 31, 2025.

Accordingly, individual letters are being sent to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC and Nomination details. The said SEBI circulars, key highlights of said circulars and the necessary forms are available on the Company' website for shareholder's information at [https://www.fazethreeautofab.com/web/investor/17NOTICE FOR PHYSICAL SHAREHOLDERS 2.html](https://www.fazethreeautofab.com/web/investor/17NOTICE_FOR_PHYSICAL_SHAREHOLDERS_2.html) .

- iii. Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of the shareholders w.e.f. 1st April, 2020 and the Company is required to deduct tax at source ("TDS") from dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 ("the IT Act"). In general, to enable compliance with TDS requirements, Members are requested to complete and / or update their Residential Status, PAN, Category as per the IT Act with their Depository Participants or in case shares are held in physical form, with the Company by sending email to the Company's email address at cs@fazethreeautofab.com.
- iv. The Members who are eligible and have not casted their votes through remote e-voting can cast their vote at AGM through e-voting system during the AGM. The e-voting at AGM will be closed 15 minutes after the conclusion of AGM.
- v. During the 26th AGM, the Chairman shall, respond to the questions raised by the Members in advance sent through email.

**By Order of the Board of Directors
FAZE THREE Autofab Limited**

**Place: Mumbai
Date: August 14, 2023**

**Sd/-
Akram Sati
Company Secretary
M. No. A50020**

**Explanatory Statement
(Pursuant to Section 102 of the Companies Act, 2013)**

The following Statement sets out material facts relating to the business under Item No. 3 to 4 of the Notice.

Item No. 3

Approval of Material Related Party Transactions.

Regulation 23 of the Securities and Exchange Board of India ('SEBI') (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations'), as amended by the SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021, effective April 1, 2022, mandates prior approval of shareholders of a listed entity by means of an ordinary resolution for all material related party transactions, even if such transactions are in the ordinary course of business of the concerned company and at an arm's length basis. Effective from April 1, 2022, a transaction with a related party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds Rs. 1,000 Crore, or 10.00 % of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower.

In the upcoming Financial Year (FY) 2024-25, the Company, proposes to enter into certain related party transaction(s) as mentioned below, on mutually agreed terms and conditions, in the ordinary course of business of the Company and on an arm's length basis and the aggregate value of such transaction(s) are expected to cross the applicable materiality thresholds as mentioned hereinabove. The aggregate value of the proposed transactions for FY 2024-25 is upto INR 87.50 crores (excluding applicable taxes). Accordingly, as per the SEBI Listing Regulations, approval of the Members of the Company is being sought for all such transaction(s) proposed to be undertaken by the Company. All the said transactions shall be in the ordinary course of business of the Company and on an arm's length basis.

The Audit Committee has, on the basis of relevant details provided by the management, as required by the law, at its meeting held on August 14, 2023, reviewed and approved the said transaction(s), subject to approval of the Members of the Company, while noting that such transaction(s) shall be on arms' length basis and in the ordinary course of business of the Company.

Accordingly, basis the approval of the Audit Committee, the Board of Directors recommend the Resolution contained in Item No. 3 of the accompanying Notice to the shareholders for approval.

The approval of the Members pursuant to the aforesaid Resolution is being sought for the following related party transactions / contracts/ arrangements / agreements set out in this explanatory statement. In addition to the transactions set out in this explanatory statement, approval of the shareholders is also being sought for any other transactions between the parties for transfer of resources, services and obligations in the ordinary course of business, on arm's length basis and in compliance with applicable laws, as approved by the Audit Committee. The value of such additional transactions is included in the values set out in this explanatory statement.

Information as required under Regulation 23 of SEBI Listing Regulations read with SEBI Circular dated November 22, 2021 is provided herein below;

Sr. No.	Description								
A	<i>Type, material terms and particulars of the proposed transaction</i>	Purchase of Services such as dyeing services, Stentering services	Purchase of Goods such as Yarn, Dyes & Chemicals, etc.	Sale or supply of goods & materials such as yarn and fabrics,	Sale of services such as Jobwork	Rental Expenses	Rental Income	Reimbursement of expenses	Any other transaction

I	Any other information	
	Following additional disclosures to be made in case loans, inter-corporate deposits, advances or investments made or given by the Company or its Subsidiary	
i.	Source of funds	
ii.	In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investment: <ul style="list-style-type: none"> • nature of indebtedness • cost of funds and • tenure of the indebtedness 	NOT APPLICABLE
iii.	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security.	
iv.	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	

Except Mr. Ajay Anand (Managing Director) and Mrs. Rashmi Anand (Non-Executive Director) none of the Directors, Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in this resolution, except to the extent of their respective shareholdings, in the Company. This statement may also be regarded as an appropriate disclosure under the SEBI Listing Regulations.

Pursuant to Regulation 23(4) of SEBI Listing Regulations, all entities falling under the definition of related parties shall not vote to approve the relevant resolution irrespective of whether the entity is a party to the particular transaction or not.

The Board recommends the Ordinary Resolution as set out in Item No. 3 of the Notice, for approval of the Members.

Item No. 4 – Re-appointment of Mr. Viswanathan Sivakumar (DIN: 09211111) as a Whole-time Director designated as ‘Executive Director & CFO’

The Members at the 24th Annual General Meeting of the Company held on August 17, 2021 had approved the appointment of Mr. Viswanathan Sivakumar (DIN: 09211111), as a Whole-time Director designated as ‘Executive Director & CFO’ for a period of Three (3) years commencing from June 25, 2021 to June 24, 2024. Considering the aforementioned, the term of Mr. Viswanathan Sivakumar as a Whole-time Director of the Company is near to conclusion on June 24, 2024.

The Members are informed that, based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors at its Meeting held on August 14, 2023 has approved the re-appointment of Mr. Viswanathan Sivakumar (DIN: 09211111) as a Whole-time Director designated as ‘Executive Director & CFO’ for a period of Three (3) years commencing from June 25, 2024 to June 24, 2027, being liable to retire by rotation, subject to the approval of the members, as per the terms and payment of such remuneration set out in the resolution. Also, Mr. Sivakumar shall continue to serve as the CFO of the company.

Members are hereby further informed that Mr. Viswanathan Sivakumar is having vast experience of more than two decades in the field of Technical Textile industry as a Plant head over the years. He is also involved in managing other day to day operations of the manufacturing unit of the Company located at Dadra. Considering his varied experience and association with the Company for more than a decade.

Mr. Viswanathan Sivakumar is not disqualified from being appointed as Director in terms of Section 164 of Companies Act, 2013 and has also given his consent to act as Director. The Company has also received a notice under Section 160 of the Act from a Member of the Company signifying the candidature of Mr. Viswanathan Sivakumar as a Whole-Time Director of the Company.

A brief resume of Mr. Viswanathan Sivakumar is provided in the annexure to the Notice.

Except Mr. Viswanathan Sivakumar (the appointee Director) none of the Directors, Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in this resolution, except to the extent of their respective shareholdings, if any in the Company. This statement may also be regarded as an appropriate disclosure under the Listing Regulations.

The Board recommends the Special Resolution as set out in Item No. 4 of the Notice, for approval of the Members.

Statement containing additional information as required under schedule V of the Act for Item No 4:

I. General Information

2. Nature of industry:

FAZE THREE Autofab Limited is engaged in the field of designing, development and manufacturing of automotive textiles (specialized in car seat cover fabric). It is an approved leading supplier of Automotive Fabrics to all Tier-1, Tier-2 of Major OEM's. The company has been established in 1997 and a leading supplier of automotive fabrics to all major OEMs in India. The Company caters to automotive giants like Maruti Suzuki, Hyundai, Mahindra & Mahindra, Tata Motors, Honda, Skoda, Toyota, Nissan, Renault, GM, etc.

3. Date or expected date of commencement of commercial production:

Not applicable since the Company is established in the year 1997.

4. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not applicable.

5. Financial performance based on given indicators:

The key highlights of the financial performance of the Company is as stated below:

(in crores)

Particulars	For the Year ended 31.03.2023	For the Year ended 31.03.2022	For the Year ended 31.03.2021
Revenue from Operations	168.47	196.03	134.14
Profit before tax	6.97	15.09	14.11
Profit for the year	4.40	12.95	11.11
Total comprehensive income for the year	4.21	12.96	11.11

6. Foreign investments or collaborations, if any:

N.A.

II. Information about the appointees:

1. Background details:

Mr. Viswanathan Sivakumar

Mr. Viswanathan Sivakumar has been associated with the Company for more than a decade. He was also appointed as CFO of the Company w.e.f. July 15, 2016 and currently serves as Executive Director and CFO of the Company. He has rich experience of more than two decades in Automotive Textile Industry. He manages day to day operations at Company's Manufacturing facilities located at Dadra.

2. Past remuneration:

The remuneration drawn for the financial year 2022-23:
Mr. Viswanathan Sivakumar - INR 33,24,000/- per annum

3. Strengths or Awards:

It's in-house manufacturing capabilities backed by continuous improvement and technology up-gradation has given the competitive edge.

4. Job profile and his suitability:

Mr. Viswanathan Sivakumar:

Mr. Viswanathan Sivakumar plays a key role in Production, costing and finance along-with the management of day to day operations at the manufacturing unit located at Dadra, Union Territory of Dadra & Nagar Haveli & Daman and Diu. His educational background and specialization in Textile and Fibre Technology greatly matches the requirements of the profile as handled by him. His experience of over two decades in the textile industry and management skills are considered apt for the role.

5. Remuneration proposed:

As per the resolution set out at item no. 4 of the Notice.

6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:

Mr. Viswanathan Sivakumar it is believed that the remuneration proposed for them is justified and commensurate with the other organizations of the similar type, size and nature.

7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:

Mr. Viswanathan Sivakumar is not related to any of the Directors or KMP.

Except for receiving remuneration and to the extent of their respective shareholdings, if any Mr. Viswanathan Sivakumar have no other pecuniary relationship with the Company.

III. Other information:

1. Reasons of loss or inadequate profits:

The Company is making adequate profits as commensurate with the size and type of business activities. The Company expects increase in the turnover and profit margins in the coming years.

2. Steps taken or proposed to be taken for improvement:

The Company is continuously engaged in the development and designing of new products and customized solutions for its customers and looking forward to penetrate and capture the market even further through its existing relations with the OEM's.

3. Expected increase in productivity and profits in measurable terms:

The Company expects to achieve overall revenue marginally in FY 2023-24 over FY 2022-23. The profitability and margins are expected to increase in the coming years' due to gradual decrease in inflation, cost of raw materials and various cost controlling measures taken by the company over the years.

IV. Details as required under point IV of Para B of Section II of Part II of Schedule V of the Act have been disclosed in the Corporate Governance Report under heading "Remuneration to Director", which is forming a part of this Annual Report.

DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 READ WITH CLAUSE 1.2.5 OF THE SECRETARIAL STANDARD - 2

Sr. No.	Name of Director	Mr. Viswanathan Sivakumar
1.	Director Identification Number	09211111
2.	Designation / Category of Directorship	Whole-time Director designated as 'Executive Director & CFO'
3.	Age	53 years
4.	Date of Birth	21/05/1970
5.	Date of first Appointment on Board	25/06/2021
6.	Qualifications	B.Tech in Fibre Technology & Diploma in Textile Technology
7.	Brief Resume/Experience/Expertise	Mr. Viswanathan Sivakumar has been associated with the Company for more than a decade. He was also appointed as CFO of the Company w.e.f. July 15, 2016 and currently serves as Executive Director and CFO of the Company. He has rich experience of more than two decades in Automotive Textile Industry. He manages day to day operations at Company's Manufacturing facilities located at Dadra.
8.	Terms and Conditions of Appointment or re-appointment	Re-appointment for a period of 3 years commencing from June 25, 2024 to June 24, 2027, subject to the approval of the Members at the ensuing Annual General Meeting (AGM) of the Company.
9.	Remuneration to be paid	As set out in the resolution at item no. 4
10.	The last drawn remuneration	INR 33,24,000/- per annum for FY 2022-23
11.	Shareholding in the Company including beneficial ownership as on date	NIL
12.	Relationship with Other Directors, Manager and other Key Managerial Personnel of the Company	Mr. Viswanathan Sivakumar is not related to any of the Promoters, Members of the Promoter Group and Directors of the Company.
13.	The Number of Meetings of the Board attended during FY 2022-23	6/6
14.	Other Directorships in listed entities as on date	NIL
15.	Resignation from listed entity, if any in the past three years	None
16.	Memberships/ Chairmanship of Committees of other Companies	None

**By Order of the Board of Directors,
FAZE THREE Autofab Limited**

**Place: Mumbai
Date: August 14, 2023**

**Sd/-
Akram Sati
Company Secretary
M. No. A50020**

DIRECTORS' REPORT

To,
The Members of
FAZE THREE Autofab Limited

Your Directors are pleased to present the 26th Annual Report of your Company containing the business performance and the Audited Financial Statements for the year ended on March 31, 2023.

1. FINANCIAL HIGHLIGHTS:

The performance of the Company for the financial year ended March 31, 2023 is summarized below:

Particulars	(Rs. in Cr.)	
	For the year ended 31.03.2023	For the year ended 31.03.2022
Revenue from operations	168.47	196.03
Other Income	0.68	0.52
Total Income	169.15	196.55
Less: Expenses	(153.53)	(171.86)
Profit before Depreciation, Interest and Tax (PBDIT)	15.62	24.69
Less:		
Finance Cost/ Interest	3.39	4.18
Depreciation & Amortization Expense	5.26	5.42
Profit before taxation	6.97	15.09
Less: Provision for taxation	2.57	2.14
Profit for the year carried to Balance Sheet	4.40	12.95

The above figures are extracted from the financial statements prepared in compliance with Indian Accounting Standards ('Ind AS'). The Financial Statements of the Company complied with all aspects of Ind AS notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and other relevant provisions of the Companies Act, 2013.

2. KEY HIGHLIGHTS OF THE FINANCIAL PERFORMANCE:

The Revenue from Operations for the year ended March 2023 stood at Rs. 168.47 Cr. versus Rs 196.03 Cr. for the year ended March 2022. Further the Net Profit for the year ended March 2023 stood at Rs. 4.40 Cr. as compared to net profit of Rs. 12.95 Cr. for the year ended March 2022.

The PBDIT figures for the year stood at Rs. 15.62 Crores as compared to Rs. 24.69 Crores in the previous financial year.

3. WEB ADDRESS OF ANNUAL RETURN:

Pursuant to Section 134(3)(a) and Section 92(3) of the Companies Act, 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the copy of the Annual Return as on March 31, 2023 (excluding the details pertaining to the Annual General Meeting of the Company for the Financial Year 2022-2023 i.e. Attendance of Directors at the Annual General Meeting as same is not available as on the date of this Report) is available on the Company's website at <http://www.fazethreeautofab.com/web/investor/4corporategovernance.html>

By virtue of amendment to Section 92(3) of the Companies Act, 2013 and rule 12 of the Companies (Management and Administration) Rules, 2014, the Company is not required to provide extract of Annual Return (Form MGT-9) as part of the Director's Report.

4. CHANGE IN THE NATURE OF THE BUSINESS:

There were no changes in the nature of business during the year under review as prescribed in Rule 8 of the Companies (Accounts) Rules, 2014.

5. DIVIDEND:

Your Board of Directors have not recommended any dividend for the Financial Year. In terms of the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, there is no unpaid / unclaimed dividend which is pending to be transferred during the year to the Investor Education and Protection Fund.

6. RESERVES:

There were no appropriations to reserves/ general reserves during the year under review. The closing balance of the retained earnings of the Company for the FY 2022-23 is Rs. 15.37 Crores.

7. CHANGE IN SHARE CAPITAL:

The Paid-up Share Capital as on March 31, 2023 is Rs. 10,72,32,070 comprising 1,07,23,207 Equity Shares of Rs. 10/- each. There has been no change in the capital structure of the Company during the year.

The Company has not issued any shares with differential voting during the year under review. The Company has neither issued any shares nor granted any Stock Options nor any Sweat Equity Shares during the year.

8. DISCLOSURE ON ACCOUNTING TREATMENT:

The Company has not used any differential treatment which is not in compliance with accounting standards and the financials of the Company depict a true and fair view of the state of affairs of the Company.

9. DIRECTORS & KEY MANAGERIAL PERSONNEL:

The Board as on March 31, 2023 comprised of 6 (Six) Directors out of which 3 (Three) are Independent Directors, 1 (One) is Non-Executive and Non-Independent Director and 2 (Two) are Executive Directors including one Managing Director.

The following persons are the Key Managerial Personnel of the Company as on March 31, 2023 pursuant to Section 2 (51) and Section 203 of the Companies Act, 2013 read with the Rules framed thereunder:

1. Mr. Ajay Anand – Managing Director
2. Mr. V. Sivakumar – Whole Time Director and Chief Financial Officer
3. Mr. Akram Sati – Company Secretary and Compliance Officer

The Company has complied with the requirements of having Key Managerial Personnel as per the provisions of Section 203 of the Act.

Appointments and Resignation of Directors and Key Managerial Personnel

During the period under review, following changes have occurred:

1. Mrs. Rashmi Anand (DIN: 00366258), Non-Executive Non-Independent Director who was liable to retire by rotation was re-appointed at the 25th Annual General Meeting of the Members of the Company held on September 20, 2022.
2. Mr. Roshan Gupta (ACS: 61123), Company Secretary and Compliance Officer of the Company tendered his resignation from the position with effect from the closing hours of February 2, 2023. The Board wishes to place on record its appreciation for the services rendered by Mr. Roshan Gupta during his tenure.
3. Mr. Akram Sati (ACS: 50020) was appointed as the Company Secretary and Compliance Officer of the Company with effect from February 3, 2023.

In accordance with Section 152 of the Companies Act, 2013 and the rules framed thereunder, Mr. Viswanathan Sivakumar (DIN: 09211111), Whole-Time Director & CFO retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, at its meeting held on August 14, 2023 has approved the re-appointed Mr. Viswanathan Sivakumar (DIN: 09211111) as Whole-Time Director designated as 'Executive Director & CFO' for a further period of three years with effect from June 25, 2024, subject to the approval of members by passing a Special Resolution. Therefore, the approval of members for the re-appointment of Mr. Viswanathan Sivakumar is proposed at the ensuing Annual General Meeting of the Company.

The Board is of the opinion that the Independent Directors holding office during the year hold highest standards of integrity and possess requisite expertise and experience required to fulfill their duties as Independent Directors.

10. DECLARATION FROM INDEPENDENT DIRECTORS:

The Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013, that they meet the criteria of independence laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and they have registered themselves with the Independent Director's Database maintained by the Indian Institute of Corporate Affairs.

11. CONFIRMATION AND CERTIFICATION:

On an annual basis, the Company obtains from each Director, details of the Board and Board Committee positions he / she occupies in other Companies, and changes if any regarding their Directorships. The Company has obtained a certificate from M/s. A. D. Parekh & Associates, Practicing Company Secretaries, under Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI Listing Regulations confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by the SEBI and Ministry of Corporate Affairs or any such authority and the same forms part of this Report.

12. FAMILIARISATION PROGRAMME FOR THE INDEPENDENT DIRECTORS:

Pursuant to the SEBI Listing Regulations, the Company has worked out a Familiarisation Programme for the Independent Directors, with a view to familiarise them with their role, rights and responsibilities in the Company, nature of Industry in which the Company operates, business model of the Company, etc.

The policy for Familiarisation Programme for the Independent Directors is available on the website of the Company at <http://www.fazethreeautofab.com/web/investor/4corporategovernance.html> .

13. DETAILS OF BOARD MEETINGS:

The Board of Directors of your Company met 6 (Six) times during the Financial Year ended March 31, 2023. The details of Board Meetings and the attendance of the Directors there at are provided in the Corporate Governance Report. The intervening time gap between two consecutive Meetings were within the period prescribed under the Companies Act, 2013 and SEBI Listing Regulations.

14. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirements under Section 134(3)(c) of the Companies Act, 2013, the Directors hereby confirm and state:

- i. that in the preparation of the Annual Financial Statements for the year ended March 31, 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii. that such accounting policies as mentioned in Notes to Financial Statements have been selected and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the profit and loss of the Company for the year ended on that date;
- iii. that proper and sufficient care exists for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. that the Annual Financial Statements have been prepared on a going concern basis; and
- v. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- vi. that proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

15. ANNUAL PERFORMANCE EVALUATION OF BOARD:

Pursuant to the provisions of the Companies Act, 2013, and the corporate governance requirements as prescribed by SEBI Listing Regulations, the Board of Directors has carried out an annual evaluation of its own performance as a whole, the directors individually as well as the evaluation of the working of its Committees.

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc. Performance evaluation of independent directors was done by the entire Board, excluding the independent director being evaluated.

The performance of the Committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

In a separate meeting of independent directors, performance of non-independent directors, the Board as a whole and Chairman of the Company was evaluated, considering the views of executive directors and non-executive directors.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. The Board of Directors expressed their satisfaction with the evaluation process.

16. DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEES:

Disclosure of particulars of remuneration of employees as stipulated by section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed to the Report as 'Annexure - A'. The information required pursuant to Section 197 of the Act read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided on request. In terms of Section 136 of the Act, the reports and accounts are being sent to the shareholders and others entitled thereto, excluding the said information, which will be made available for inspection by the shareholders in electronic mode, up to the date of AGM. Members can inspect the same by sending an email to the Company Secretary in advance at cs@fazethreeautofab.com.

Further as on March 31, 2023, the Company has no employee who –

- i. if employed throughout the financial year, was in receipt of remuneration for that year, in the aggregate, more than Rs. 102 Lacs, or
- ii. If employed for part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in aggregate, more than Rs. 8.50 Lacs per month.
- iii. if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

17. INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY:

The Company's management is responsible for establishing and maintaining an adequate system of internal financial control over financial reporting. The Company has in place adequate systems of internal control commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorised use or losses, excluding transaction with proper authorization and ensuring compliance of corporate policies. Your Company remains committed to improve the effectiveness of internal control systems for business processes with regard to its operations, financial reporting and compliance with applicable laws and regulations.

18. DETAILS OF SUBSIDIARY/JOINT VENTURE/ASSOCIATE COMPANIES:

As on date the Company does not have any Subsidiary/ Associates/ Joint Venture company.

19. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

The particulars of loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form a part of the Notes to Financial Statements provided in this Annual Report.

20. DEPOSITS:

During the year under review, your Company has not accepted any deposits within the meaning of Sections 73 and 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014, hence there are no details to disclose as required under Rule 8(5) (v) and (vi) of the Companies (Accounts) Rules, 2014.

21. MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY:

The Company has received Initial Public Announcement dated May 15, 2023, made by Keynote Financial Services Limited, Manager to the Offer, for and on behalf of Mr. Ajay Brijlal Anand ("Acquirer" or "Promoter") and Mrs.

Rashmi Anand ("PAC 1"), Mr. Sanjay Anand ("PAC 2"), Mr. Vishnu Anand ("PAC 3"), Ms. Rohina Anand ("PAC 4"), Ajay Anand (HUF) ("PAC 5"), Instyle Investments Private Limited ("PAC 6") and Anadry Investments Private Limited ("PAC 7") as persons acting in concert with the Acquirer (collectively referred to as the "PACs"), in accordance with Regulation 8 of the SEBI Delisting Regulations to express the Acquirer's intention to: (a) acquire all the Equity Shares that are held by Public Shareholders, either individually or collectively, as the case may be; and (b) consequently voluntarily delist the Equity Shares from the stock exchange where Equity Shares are presently listed i.e., BSE Limited ("BSE"), by making a delisting offer in accordance with the Delisting Regulations ("Initial Public Announcement").

The said Voluntary Delisting offer has been approved by the Board of Directors at its Meeting held on May 22, 2023 and also has been approved by the Shareholders of the Company through Postal Ballot on June 30, 2023. Further, the Company is in process of undertaking further action with respect to the said Voluntary Delisting offer in accordance with the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, as amended from time to time.

Apart from the above, there were no material changes and commitments, affecting the financial position of the Company, which has occurred between the end of the financial year of the Company, i.e., March 31, 2023 till the date of this Report.

22. CORPORATE SOCIAL RESPONSIBILITY STATEMENT (CSR):

In compliance with the requirements of Section 135 of the Act read with the Companies (Corporate Social Responsibility) Rules, 2014, the Board of Directors have constituted a Corporate Social Responsibility (CSR) Committee. The details of membership of the Committee and the meetings held are detailed in the Corporate Governance Report, forming part of this Report.

During the FY 2022-23, the Company was required to spend Rs 26,86,209/- towards the CSR contribution. The Board of Directors of the Company pursuant to the Rule 7(3) of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and on the recommendation of the CSR Committee, approved to the set off the excess available CSR contribution against the CSR contribution to be spent in FY 2022-23.

The annual report on Corporate Social Responsibility activities, as required under Sections 134 and 135 of the Companies Act, 2013 read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and Rule 9 of the Companies (Accounts) Rules, 2014, is annexed herewith and marked as '**Annexure – B**' to this Report.

In accordance with the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2014, as amended, Board on the recommendation of CSR Committee has amended/updated the CSR Policy of the Company and posted on its website at: <https://www.fazethreeautofab.com/web/investor/5policies.html>

23. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION ETC. & FOREIGN EXCHANGE EARNINGS AND OUTGOINGS:

The information as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo is annexed to this report as '**Annexure – C**'.

24. RISK MANAGEMENT POLICY:

There is a continuous process for identifying, evaluating and managing significant risks faced through a risk management process designed to identify the key risks faced by the Company to ensure that risk is controlled by the management through the means of a properly laid-out framework.

25. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

Pursuant to the provisions of the Companies Act, 2013 and the SEBI Listing Regulations, the Company has in place Nomination and Remuneration Policy ('Policy'), which sets out the criteria for appointment, removal and remuneration of the Directors, Key Managerial Personnel (KMP) and Senior Management Personal (SMP). The policy also lays down the evaluation criteria for performance evaluation of Board, its Committees and individual directors.

The salient features of the Policy are:

- It acts as a guideline for matters relating to appointment, re-appointment and removal of Directors, KMP and SMP.
- It contains guidelines for determining qualifications, positive attributes for Directors, KMP and SMP and independence of a Director.
- It lays down the criteria for Board Membership.
- It sets out the approach of the Company on Board diversity.
- It lays down the criteria for determining independence of a Director, in case of appointment of an Independent Director.

The policy is available at <https://www.fazethreeautofab.com/web/investor/5policies.html>

26. VIGIL MECHANISM / WHISTLE-BLOWER POLICY:

Your Company has in place Whistle-Blower Policy ('Policy'), to provide a formal mechanism to its employees for communicating instances of unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policies, improper practices or any other alleged wrongful conduct in the Company. The Policy provides for a mechanism to report such concerns to the Chairman of the Audit Committee through specified channels. It also ensures adequate safeguards against victimization of such employees who use this mechanism. During the year under review, no concern from any whistle-blower has been received by the Company. The whistle-blower policy is available at Company's website at <https://www.fazethreeautofab.com/web/investor/5policies.html>

27. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY AND ITS FUTURE OPERATIONS:

There were no significant and material orders passed by the regulators/ courts/ tribunals, which may impact the going concern status and the Company's operations in the future.

28. AUDITORS:

a. Statutory Auditors

M/s. Thakur Vaidyanath Aiyar & Co., Chartered Accountants, Mumbai (FRN: 000038N) were appointed as the Statutory Auditor of the Company at the 25th Annual General Meeting (AGM) of the Company held on September 20, 2022 for a period of 5 (Five) consecutive years and who shall be holding office up to the ensuing 30th Annual General Meeting of the Company, to be held in calendar year 2027.

The Auditor's Report on financial statements of the Company for the financial year 2022-23, as submitted by M/s. Thakur Vaidyanath Aiyar & Co., does not contain any qualifications, reservations or adverse remarks and are self-explanatory.

There have been no instances of fraud reported by the Auditors under Section 143(12) of the Act and Rules framed thereunder either to the Company or to the Central Government.

b. Secretarial Auditor

Pursuant to the provisions of Section 204 of Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. A. D. Parekh & Associates, Practicing Company Secretaries to undertake Secretarial Audit for the FY 2022-23 which, inter alia, includes audit of compliance with the Companies Act, 2013, and the Rules made thereunder, SEBI Listing Regulations and other Regulations and Acts applicable to the Company. The Secretarial Audit Report for the financial year ended March 31, 2023 is annexed to this Report as '**Annexure - D**'.

The Secretarial Auditor has also issued Annual Secretarial Compliance Report for the financial year ended March 31, 2023 as required under regulation 24A of SEBI Listing Regulations. Both Secretarial Audit Report and Annual Secretarial Compliance Report does not contain any qualification, reservation, adverse remark or disclaimer.

Upon recommendation of Audit Committee, the Board at their meeting held on May 3, 2023 has re-appointed M/s. A. D. Parekh & Associates, Practicing Company Secretaries, as the Secretarial Auditor of the Company to carry out the secretarial audit for the financial year 2023-24.

29. FRAUD REPORTED BY THE AUDITORS, IF ANY:

Pursuant to the provision of Section 143(12) of the Companies Act, 2013, during the year under review, the Auditors of the Company have not reported to the audit committee, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in this Report.

30. CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:

In compliance with Regulation 34 read with Schedule V of the SEBI Listing Regulations, Company's Corporate Governance Report forms part of this Annual Report as '**Annexure - E**'.

Further all the Board members and Senior Management personnel have affirmed compliance with the Code of Conduct for the financial year 2022-23. A declaration to this effect signed by the Managing Director of the Company also forms part of this Annual Report.

A Certificate from Practicing Company Secretary regarding the compliance with the conditions of Corporate Governance as stipulated under Regulation 34 read with Schedule V of the SEBI Listing Regulations is annexed to this Report.

31. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Management Discussion and Analysis Report in accordance with Regulation 34 read with Schedule V of SEBI Listing Regulations forms part of this Annual Report as '**Annexure - F**'.

32. PARTICULARS OF CONTRACTS / ARRANGEMENTS WITH RELATED PARTIES:

During the financial year, the Company has entered into transactions with related parties as defined under Section 2(76) of the Act and Listing Regulations. All related party transactions were carried out at arm's length price and in the ordinary course of business.

The Members of the Company, vide resolution passed through the postal ballot on December 14, 2022, approved the potential Material Related Party Transactions under the Regulation 23 of the Listing Regulations, with Faze

Three Limited for FY 2022-23 and FY 2023-24, at an arm's length basis and in the ordinary course of business.

All Related Party Transactions are approved by Audit Committee. Prior omnibus approval is obtained from the Audit Committee in respect of the transactions which are repetitive in nature. The transactions entered into pursuant to omnibus approval so granted are reviewed on a quarterly basis by the Audit Committee.

As per the SEBI Listing Regulations, if any related party transaction exceeds Rs 1,000 crore or 10% of the annual consolidated turnover as per the last audited financial statement whichever is lower, would be considered as material and require Members approval. In this regard, during the year under review, the Company had taken necessary Members approval. However, there were no material transactions of the Company with any of its related parties as per the Act. Therefore, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable to the Company for FY23 and, hence, the same is not required to be provided.

Suitable disclosure as required by the Indian Accounting Standards (IND AS 24) has been made in the notes to the Financial Statements. The Company shall seek shareholders' approval for material related party transactions proposed to be entered in the upcoming financial year in the ensuing AGM.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board is available at <http://www.fazethreeautofab.com/web/investor/5policies.html>

33. POLICIES UNDER LISTING REGULATIONS:

The SEBI Listing Regulations mandated the formulation of certain policies for all listed Companies which are as under.

- a. Documents Retention & Archival Policy' as per Regulation 9 and Regulation 30 which may be viewed at <http://www.fazethreeautofab.com/web/investor/5policies.html>
- b. Policy for determining Materiality of events / information' as per Regulation 30 which may be viewed at <http://www.fazethreeautofab.com/web/investor/5policies.html>
- c. Policy for determining material subsidiary' as per Regulation 16(1)(c) of the Listing Regulations which may be viewed at <http://www.fazethreeautofab.com/web/investor/5policies.html>

34. COMPLIANCE OF SECRETARIAL STANDARDS OF ICSI:

During the year under review, the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

35. COST RECORDS & COST AUDIT:

The cost records are maintained by the Company however, Cost Audit is not applicable to the Company for the FY 2022-23.

36. DISCLOSURE AS PER SEXUAL HARRASMENT OF WOMEN AT WORKPLACE (PREVENTION PROHIBITION AND REDRESSAL) ACT, 2013:

Pursuant to sub-rule (x) of rule 8 of the Companies (Accounts) Amendment Rules, 2018, the Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. There were no complaints received during the year.

37. GENERAL:

Your Directors state that no disclosure or reporting is required with respect to the following items as there were no transactions on these items during the year under review:

- a. of application made or any proceeding pending under the insolvency and bankruptcy code, 2016 during the year along with their status as at the end of the financial year.
- b. The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

38. ACKNOWLEDGEMENT:

Your Directors take this opportunity to place on record their sincere appreciation for the excellent support provided by Bankers, Government authorities, all stakeholders and business associates. The Board also express its sincere appreciation and support extended by the Shareholders during the year under review and also acknowledges the dedicated efforts put in by the employees at all levels.

**For and on behalf of Board of Directors
FAZE THREE Autofab Limited**

Date: August 14, 2023
Place: Mumbai

**Sd/-
Ajay Anand
Managing Director
DIN: 00373248**

**Sd/-
Rashmi Anand
Director
DIN: 00366258**

Statement of Disclosure of Remuneration under Section 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:

Name of Director	Designation	Ratio to median remuneration of the Employees
Mr. Ajay Anand	Managing Director	12.50:1
Mr. V. Sivakumar	Whole Time Director & CFO	9.23:1

Note: Since Non-Executive and Independent Directors received no remuneration, except sitting fees for attending Board / Committee meetings, the required details are not applicable.

2. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Name	Designation	% Increase / Decrease of remuneration in FY 2023 as compared to FY 2022
Mr. Ajay Anand	Managing Director	Nil
Mr. V. Sivakumar	Whole Time Director & CFO	Nil
Mr. Roshan Gupta	Company Secretary	*Not Applicable
Mr. Akram Sati	Company Secretary	#Not Applicable

*Appointed w.e.f. March 08, 2021, hence not comparable.

#Appointed w.e.f. February 03, 2023, hence not comparable.

3. The percentage increase in median remuneration of employees in the financial year: **15.23%**
4. There were **150** permanent employees on the rolls of the Company as on March 31, 2023.
5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.

Particulars	Non-Managerial	Managerial
% Average increase in salaries during FY 2022-23	11.6%	Nil

6. We hereby affirm that the remuneration paid during the year ended March 31, 2023 is as per the Remuneration Policy of the Company.

**For and on behalf of Board of Directors
FAZE THREE Autofab Limited**

Date: August 14, 2023
Place: Mumbai

**Sd/-
Ajay Anand
Managing Director
DIN: 00373248**

**Sd/-
Rashmi Anand
Director
DIN: 00366258**

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. Brief outline on CSR Policy of the Company

Business cannot exist in isolation and for a business to be profitable, it needs to consider the Social Responsibility in order to build a positive synergy between the two. The Company considers Social Responsibility as an integral part of sustainable growth and endeavours to contribute towards the same.

The Company recognizes that its business is a part of the community where it operates. The Objective of the Company is to bring about change and create a positive impact/difference in the society in which it operates by making valuable contributions through its CSR policy. The Company looks forward to achieving greater success in terms of revenue, profits, and building brand image in the market in which it operates in the upcoming years and thereby contributing a part from its success to the upliftment of the society in which it operates through its CSR initiatives

2. Composition of CSR Committee:

Sr. No.	Name of the Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Ajay Anand	Chairperson/Executive Director	1	1
2.	Mr. Manan Shah	Member/Independent Director	1	1
3.	Mrs. Rashmi Anand	Member/Non-Executive Director	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:
- Committee Composition:
<https://www.fazethreeautofab.com/web/investor/11boardcommittees.html>
- CSR Policy:
<https://www.fazethreeautofab.com/web/investor/5policies.html>
4. Provide the details of the Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report):
- Not Applicable
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and the amount required for set off for the financial year, if any :

Sr. No.	Financial Year	The amount available for set-off from preceding financial years (in Rs)	The amount required to be set off for the financial year, if any (in Rs)
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1	2021-22	28,54,856/-	26,86,209/-
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6. Average net profit/loss of the company as per section 135(5) : Rs. 13,43,10,439 /-

7.	(a) Two percent of average net profit of the company as per section 135(5)	:	Rs. 26,86,209/-
	(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	:	N.A.
	(c) Amount required to be set off for the financial year, if any	:	Rs. 26,86,209/-
	(d) Total CSR obligation for the financial year (7a+7b-7c)	:	NIL

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of Transfer	Name of Fund	Amount	Date of Transfer
NIL	Nil	N.A.	N.A.	Nil	N.A.

(b) Details of CSR amount spent against ongoing projects for the financial year: **Not Applicable**

(c) Details of CSR amount spent against other than ongoing projects for the financial year: Not applicable

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Agency	
				State	District			Name	CSR Registration Number
	NA	NA	NA	NA	NA	NA	NA	NA	NA

(d) Amount spent in Administrative Overheads : Nil

(e) Amount spent on Impact Assessment, if applicable : Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : NIL

(g) Excess amount for set off, if any : NIL

Sr. No.	Particular	Amount (in Rs.)
(i)	Two percent of the average net profit of the company as per Section 135(5)	26,86,209/-
(ii)	Total amount spent for the Financial Year (Via Set-off)	26,86,209/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NA
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]*	1,68,647/-

*Excess amount available from preceding financial year after set-off of CSR obligation for current financial year.

9. (a) Details of Unspent CSR amount for the preceding three financial years: **Not Applicable**

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **Not Applicable**

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details):		
(a) Date of creation or acquisition of the capital asset(s).	:	Not Applicable
(b) Amount of CSR spent for creation or acquisition of capital asset.	:	Not Applicable
(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	:	Not Applicable
(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	:	Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

For and on behalf of Board of Directors
FAZE THREE Autofab Limited

Sd/-
Ajay Anand

Chairman, CSR Committee

DIN: 00373248

Sd/-
Rashmi Anand

Director

DIN: 00366258

Date: August 14, 2023

Place: Mumbai

Statement Pursuant to Section 134 (3) of the Companies Act, 2013 read with Rule 8(3) of Chapter IX of Companies (Accounts) Rules, 2014.

A. Conservation of energy-

i. Steps Taken for Conservation of Energy;

ESG is an integral part of Company's initiatives. Your Company is continuously trying to upgrade its process which are more sustainable and reduce energy use. Your company has taken all the steps necessary to conserve the energy from general awareness initiatives for workers and employees to upgrading machines with higher efficiency including energy efficient motors, separate regulated air line with zero % leakage, energy saving equipment and appliances etc.

Your company has Installed of rooftop solar project for the generation of renewable energy. It has also adopted various initiatives to conserve water resources by harvesting rainwater and recharging groundwater. The various other initiatives include the Installation of LED lighting, Regulated compressed air supply, use of day light etc.

ii. Steps taken by the company for utilizing alternate sources of energy;

Conservation is the process of reducing demand on a limited supply and enabling that supply to begin to rebuild itself. Your company has taken various initiatives to conserve drinking water and use groundwater for various day-to-day operations. It has also taken the initiative to refill groundwater by using rainwater harvesting.

The Company plans to gradually increase the alternate source of energy in the coming years. The Company has also converted our unused rooftop real estate into a clean-energy generating asset by installing the rooftop solar at our unit, this 110 KW solar plant that will help us in reducing our carbon footprint and being more sustainable. Our solar plant is expected to generate 1,50,000 units annually - saving 106 Metric Tons in CO2 Emissions per annum. This is equivalent to planting 1,754 trees every year.

iii. The capital investment on energy conservation equipments;

- The Company has made capital investment on installation of Solar Panels for energy conservation.
- The Company has also taken various steps to conserve energy such as Installation of Low kWh LED lights across the unit.
- The Company has invested and installed a 110-kWh solar power plant at its unit in Dadra, further contributing towards the growth of clean energy.
- Since manufacturing is one of the most energy demanding industrial sector, Company has installed all new machines which are drive based thereby saving energy.

iv. Research & Development

a) Specific area in which R & D is carried out by the Company

- Introduction of new products and improvisation in the processes of existing products.
- Dedicated team for product development and customized solutions to clients.
- Dedicated designing team for customized solution and making new designs acceptable to international customers.

b) Future Plan of Action

- Development of products for indigenous and international market.
- Substitute development of new designs for export of high value products, which are currently imported.
- Developing new product range to have edge over others with high standards of quality and unique design to compete with other indigenous manufacturers to improve the export turnover base.

B. Technology Absorption and Innovation

a) the efforts made towards technology absorption;

- Use of energy-efficient processes and machines
- Structure various locations to use of day light and replacement of lighting systems with energy efficient and LED lights
- Switching to low energy higher illumination light sources for general lighting
- Older machineries are replaced with machines with AC drive system for reduction in power consumption.

b) the benefits derived like product improvement, cost reduction, product development or import substitution;

The various initiatives have resulted in the improvement of the quality of existing products as well as helped your company to further customize products as per the needs of the customers to make further processing more efficient at customers' end. The various initiatives have also made products with high standing in the market along with being cost-competitive. The initiatives have reduced the process time, better effluent management along-with reduced cost. Your company is consuming raw material which are sourced locally to reduce reliance on imports and in turn offering finished products in domestic and international market.

Your Company being in the manufacturing sector has been instrumental in introducing and implementing new technology in the manufacturing processes with installation of high speed and energy efficient machines, which include domestic as well imported. The Research & Development along-with Technology Absorption has been an ongoing and continuous exercise in your company. We constantly look for process improvisation at manufacturing level to reduce energy consumption, minimise waste generation and to produce cost effective products in line with environmental policies.

C. Foreign Exchange Earnings & Outgo:

(Rs. In Lakhs)

Particular	2022-23	2021-22
Total Foreign Exchange used	334.67	107.92
Total Foreign Exchange earned	74.71	150.98

For and on behalf of Board of Directors
FAZE THREE Autofab Limited

Sd/-

Ajay Anand

Managing Director

DIN: 00373248

Sd/-

Rashmi Anand

Director

DIN: 00366258

Date: August 14, 2023

Place: Mumbai

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2023
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
FAZE THREE AUTOFAB LIMITED

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **FAZE THREE AUTOFAB LIMITED (CIN: L17120DN1997PLC000196)** (hereinafter called "**the Company**") for the Financial Year ended **31st March, 2023**. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, Minute books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on 31st March 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on 31st March 2023, according to the provisions of:

- i The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- vi Other laws specifically applicable to the Company
The Company is engaged in manufacturing and supplies of Automotive Textile Fabrics. There are no sector specific laws applicable to the Company.

I have also examined compliance with the applicable clauses of the following:

- i Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii The Listing Agreements entered into by the Company with Stock Exchange(s);

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that there were no events / actions, during the reporting period, in pursuance of:

- a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- b) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
- c) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and
- e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at a shorter notice. A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairperson, the decisions of the Board were unanimous and no dissenting views have been recorded.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period there were no action/ events taken place which may have material bearing on the Company's affairs in pursuance of above referred laws, rules, regulations, guidelines, standards, etc.

Yours sincerely

For A. D. PAREKH & ASSOCIATES

Company Secretaries

Sd/-

CS AnkitD Parekh

M. No. ACS 31990

CoP No. 24267

Peer Review Cert. No. 2038/2022

UDIN: A031990E000803299

Place: Mumbai

Date: 14th August, 2023

This Report is to be read with our letter of even date which is given as Annexure and forms an integral part of this report.

To,
The Members,
FAZE THREE AUTOFAB LIMITED

ANNEXURE TO SECRETARIAL AUDIT REPORT

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Yours sincerely

For A. D. PAREKH & ASSOCIATES
Company Secretaries

Sd/-

CS AnkitD Parekh

M. No. ACS 31990

CoP No. 24267

Peer Review Cert. No. 2038/2022

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REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Keeping with the commitment to the Management, the principle of integrity and transparency in business operations for good corporate governance, we aim at holding a balance between economic and social goals on one hand and individual & collective goals on other. The aim is to best align the interests of individual, Company and society at large. The Company's policy is to have an appropriate blend of independent and non-independent directors to maintain the independence of the Board and to separate the Board functions of governance from Management of the Company.

The Board plays a pivotal role in ensuring good governance and acts in a democratic manner. The Board members have complete freedom to express their opinion and decisions are taken on the basis of consensus arrived after due deliberation.

2. BOARD OF DIRECTORS

a) **Composition and category of directors:**

FAZE THREE Autofab Limited's Board represents an appropriate mix of executive and non-executive directors which is in conformity with Section 149 of the Companies Act, 2013 (hereinafter referred to as "the Act") and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Listing Regulations").

As on March 31, 2023, the Company's Board of Directors comprises of six members, out of whom one is Managing Director and one is Whole-time Director designated as Whole-time Director & CFO and rest four are Non-Executive Directors (NEDs). Further out of these four NEDs, three are Independent Directors and one is Non-Executive & Non-Independent Director.

None of the Directors on the Board hold directorships in more than ten public Companies. Further none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he/she is a Director.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act. The maximum tenure of independent directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act.

b) **The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanships / Memberships held by them in public limited companies (including FAZE THREE Autofab Limited) as on March 31, 2023 are given herein below:**

Name of Director	Category	Attendance		Particulars of Directorship, Committee membership / Chairmanship		
		Board Meeting	Last AGM	Director	Chairman	Member
Mr. Ajay Anand	Promoter, Executive	5	Yes	3	0	4
Mr. Viswanathan Sivakumar	Executive	6	Yes	1	0	0

Mrs. Rashmi Anand	Non-Executive & Non – Independent	6	Yes	3	0	0
Mr. Vinit Rathod	Non-Executive & Independent	6	Yes	3	4	6
Mr. Manan Shah	Non-Executive & Independent	6	Yes	3	2	6
Mr. Kartik Jethwa	Non-Executive & Independent	2	Yes	2	0	0

Directorships do not include directorships of private limited companies, foreign companies and companies under Section 8 of the Act. Chairmanships / Memberships of Board Committees includes Audit Committee and Stakeholders' Relationship Committee only.

The necessary quorum was present for all the meetings.

c) Name of other listed entities where the person is a director and the category of directorship:

Sr. No.	Name of the Directors	Category of Directorship	Names of other listed entities where the person is a Director
1.	Mr. Ajay Anand	Managing Director	Faze Three Limited
2.	Mr. Viswanathan Sivakumar	None	None
3.	Mrs. Rashmi Anand	Non-Executive Director	Faze Three Limited
		Executive Director	V. R. Woodart Limited
4.	Mr. Vinit Rathod	Independent Director	Faze Three Limited
			V.R. Woodart Limited
5.	Mr. Manan Shah	Independent Director	Faze Three Limited
			V.R. Woodart Limited
6.	Mr. Kartik Jethwa	Independent Director	V. R. Woodart Limited

d) Number of Board meetings held and dates on which held:

During the financial year, 6 (Six) meetings of the Board of Directors of the Company were held, each on May 25, 2022, August 02, 2022, August 19, 2022, November 10, 2022, February 02 ,2023 and February 09, 2023. The maximum interval between any 2 (two) consecutive Board Meetings was well within the maximum allowed gap of 120 (One Hundred Twenty Days).

e) **Disclosure of relationships between directors inter-se:**

No director is, inter se, related to any other director on the Board, except Mrs. Rashmi Anand, who is related to Mr. Ajay Anand, Managing Director of the Company.

f) **Number of shares and convertible instruments held by non-executive directors as on March 31, 2023:**

Name of the Director	Number of Shares held
Mr. Manan Shah – Independent Director	NIL
Mr. Kartik Jethwa – Independent Director	NIL
Mr. Vinit Rathod – Independent Director	NIL
Mrs. Rashmi Anand- Non-Executive Director	2,13,750 (1.99%)

g) **Web link where details of familiarisation programmes imparted to independent directors is disclosed:**

The details of familiarisation programme imparted to independent directors are disclosed on the website of the Company <http://www.fazethreeautofab.com/web/investor/4corporategovernance.html>

h) **Matrix setting out the skills/ expertise/ competence of the Directors:**

Name of the Director	Industry knowledge	Operations	Management	Interpretation of Financial Statements	Understanding of laws, rules and regulations
Mr. Ajay Anand	High	High	High	High	High
Mrs. Rashmi Anand	High	Moderate	High	Moderate	High
Mr. V Sivakumar	High	High	High	Good	Moderate
Mr. Manan Shah	Moderate	Moderate	High	High	High
Mr. Vinit Rathod	Moderate	Moderate	High	High	High
Mr. Kartik Jethwa	High	High	Moderate	Moderate	Moderate

The following skills / expertise / competencies have been identified for the effective functioning of the Company and are currently available with the Board:

Sr. No.	Name of Director	Area of Expertise
1.	Mr. Ajay Anand	<ul style="list-style-type: none"> • Leadership / Operational experience • Strategic Planning • Industry Knowledge, Research & Development and Innovation • Dealing with large Multinational Retail Corporation • Global Business & Marketing • Financial, Regulatory / Legal & Risk Management • Corporate Governance
2.	Mr. V Sivakumar	<ul style="list-style-type: none"> • Leadership / Operational experience • Strategic Planning and & Risk Management • Industry Knowledge • Management of day to day operation of the manufacturing Unit • Corporate Governance
3.	Mr. Manan Shah	<ul style="list-style-type: none"> • Leadership • Strategic Planning • Finance, Taxation, Regulatory / Legal & Risk Management

		<ul style="list-style-type: none"> • Corporate Governance
4.	Mr. Vinit Rathod	<ul style="list-style-type: none"> • Leadership • Strategic Planning • Finance, Taxation, Commodity, Forex, Regulatory / Legal & Risk Management • Corporate Governance
5.	Mrs. Rashmi Anand	<ul style="list-style-type: none"> • Industry Knowledge, Research & Development and Innovation • Global Business & Marketing • Financial, Regulatory / Legal & Risk Management • Corporate Governance
6.	Mr. Kartik Jethwa	<ul style="list-style-type: none"> • Leadership / Operational experience • Strategic Planning • Regulatory & Risk Management • Corporate Governance

i) Other provisions:

The Independent Directors have confirmed that they meet the criteria of Independence as stipulated under the Companies Act, 2013 and the SEBI Listing Regulations along with a confirmation that they have been registered under the database of Independent Directors and comply with sub-rule (1) and sub-rule (2) of rule 6 of Companies (Appointment and qualification of Directors) fifth amendment Rules, 2019.

It is hereby confirmed that in the opinion of the Board of Directors, the independent directors fulfill the conditions specified in the SEBI Listing Regulations and are independent of the management. None of the independent directors have resigned before the expiry of their tenure as independent director.

3. AUDIT COMMITTEE

a) Brief description of terms of reference:

The Audit committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations, read with Section 177 of the Act. The members of the Audit Committee are financially literate and have experience in financial management.

The Committee invites the Managing Director, CFO, Statutory Auditors and Internal Auditor to attend the meetings of the Committee for matters which requires their participation. Company Secretary of the Company acts as Secretary to the Committee.

b) The composition of the Audit Committee of the Board of Directors of the Company along with the details of the meetings held and attended during the financial year ended March 31, 2023 is detailed below:

Sr. No.	Name of the Member	Status	Category	No. of Meetings entitled to attend	No. of Meetings attended
1.	Mr. Vinit Rathod	Chairman	Non-Executive & Independent	4	4
2.	Mr. Manan Shah	Member	Non-Executive & Independent	4	4
3.	Mr. Ajay Anand	Member	Executive	4	3

c) **Meetings and attendance during the year**

Audit Committee has conducted 4 (Four) Meetings during the year under review on May 25, 2022, August 2, 2022, November 10, 2022, and February 9, 2023.

Terms of Reference of the Committee inter alia include the following:

- Overview of the Company's financial reporting process and the disclosure of its financial information;
- Review with the management of the quarterly and annual financial statements;
- Review of Related Party Transactions;
- Review of Company's financial and risk management policies;
- Review with the management performance of statutory and internal auditors, and adequacy of the internal control systems;
- Review with the management of the quarterly financial statements;
- Recommend to the Board, the appointment, re-appointment or removal of the statutory auditor and the fixation of audit fees;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- Reviewing with the Management, the Annual Financial Statements before submission to the Board;
- Discussion with internal auditors any significant findings and follow up thereon and in particular internal control weaknesses and reviewing the adequacy of internal audit function;
- To review the functioning of the Whistle Blower mechanism.

4. **NOMINATION & REMUNERATION COMMITTEE**

a) Brief description of terms of reference:

The nomination and remuneration committee of the Company is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations, read with Section 178 of the Companies Act, 2013. The terms of reference inter alia include:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to; the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of performance of independent directors and the Board of Directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management, in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal;
- Specify the manner for effective evaluation of performance of Board of Directors, its committees and individual directors to be carried out either by the Board of Directors or by the nomination and remuneration committee and review its implementation and compliances;
- Recommend to the Board of Directors, all remuneration, in whatever form, payable to senior management.

b) The composition of the Nomination and Remuneration Committee of the Board of Directors of the Company along with the details of the meetings held and attended during the financial year ended March 31, 2023 is detailed below:

Sr. No.	Name of the Member	Status	Category	No. of Meetings Entitled to Attend	No. of Meetings Attended
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1.	Mr. Vinit Rathod	Chairman	Non-Executive & Independent	2	2
2.	Mr. Manan Shah	Member	Non-Executive & Independent	2	2
3.	Mrs. Rashmi Anand	Member	Non-Executive & Non-Independent	2	2

c) Meetings and attendance during the year

During the year, 2 (Two) meeting of the Nomination and Remuneration Committee was held on May 25, 2022 and February 02, 2023.

d) Performance evaluation criteria for Independent Directors

The Nomination and Remuneration Committee has laid down the evaluation criteria for determining the performance of the independent directors on the Board broadly covering preparedness for board meetings; attendance; application of independent judgement while taking decisions; adherence to Company's code of conduct and corporate governance; effective participation in committee meetings; adequate deliberation on areas of concern; sharing of knowledge and business information; disclosure of interest and related parties in timely manner and avoiding conflict of interest.

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee of the Company is constituted in line with the provisions of Regulation 20 of Listing Regulations read with Section 178(5) of the Act.

a) Terms of Reference of the Committee inter alia include the following:

- i. To consider and resolve the grievance of all the security holders related to transfer/ transmission of shares, non-receipts of annual reports and non-receipts of declared dividends, issue of new duplicate certificates, general meetings etc.;
- ii. To review the measures taken for effective exercise of voting rights by shareholders;
- iii. To review the adherence to service standards adopted by the company in respect of various services being rendered by the Share Transfer Agent;

b) Name of Non-Executive Director heading the committee

Mr. Vinit Rathod, an Independent director of the Company, is the Chairman of the Stakeholders' Relationship Committee. The details of composition of Stakeholders' Relationship Committee with names of members and Chairperson are as follows:

Sr. No.	Name of the Member	Status	Category	No. of Meetings entitled to attend	No. of Meetings Attended
1.	Mr. Vinit Rathod	Chairman	Non-Executive & Independent	2	2
2.	Mr. Manan Shah	Member	Non-Executive & Independent	2	2
3.	Mr. Ajay Anand	Member	Executive	2	2

During the year, 2 (Two) meetings of the Stakeholders Relationship Committee was held on November 24, 2022 and February 9, 2023.

c) **Name and designation of the Compliance Officer:**

Name and Designation of the Compliance Officer	Mr. Akram Sati– Company Secretary & Compliance Officer
Address for correspondence	63, Mittal Court, C Wing, Nariman Point, Mumbai - 400 021
Telephone Number	022 4351 4444
E-mail	cs@fazethreeautofab.com

d) **Number of shareholders' complaints received during the year, number of complaints not solved to the satisfaction of shareholders, number of pending complaints during the year 2022-23 are as follows:**

Opening Balance	Received during the year	Resolved during the year	Closing Balance
Nil	Nil	Nil	Nil

6. **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

a) **Terms of reference:**

- Formulate and recommend to the Board, a CSR Policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Act;
- Recommend the amount of expenditure to be incurred on the activities mentioned in the CSR Policy;
- Monitor the CSR Policy.

b) **The composition of the Corporate Social Responsibility Committee of the Board of Directors of the Company along with the details of the meetings held and attended during the financial year ended March 31, 2023 is detailed below:**

Sr. No.	Name of the Member	Status	Category	No. of Meetings entitled to attend	No. of Meetings Attended
1.	Mr. Ajay Anand	Chairman	Managing Director	1	1
2.	Mrs. Rashmi Anand	Member	Non-Executive Director	1	1
3.	Mr. Manan Shah	Member	Non-Executive & Independent Director	1	1

c) **Meetings and attendance during the year**

During the year, 1 (One) meeting of the Corporate Social Responsibility Committee was held on May 25, 2022.

7. **SEPARATE MEETING OF INDEPENDENT DIRECTORS**

During the year, the independent directors held a separate meeting on and carried out inter alia the performance evaluation of the Chairman and Managing Director of the Company, other non-independent directors and the Board as a whole and assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties, as per the requirement of Schedule IV to the Act read with Regulation 25(3) of the SEBI Listing Regulations. The meeting was attended by all the independent directors.

8. PARTICULARS OF SENIOR MANAGEMENT INCLUDING THE CHANGES THEREIN SINCE THE CLOSE OF THE PREVIOUS FINANCIAL YEAR.

Particulars of the senior management as on March 31, 2023:

Name	Designation	Date of Appointment
Mr. Sivakumar Viswanathan	Chief Financial Officer	15/07/2016
Mr. Akram Sati	Company Secretary	03/02/2023
Mr. Parvindra Kumar Jattu	Head - Production	11/12/2010
Mr. AL. Letchuman	Head - PPC	06/07/2016
Mr. Suryakant Chavan	Head - Designing	12/05/2000

There was no change in the senior management between the end of the financial year of the Company, i.e., March 31, 2023 till the date of this Report.

9. REMUNERATION TO DIRECTORS

(Rs. p.a.)

Sr. No.	Name of the Member	Sitting Fees	Salary	Total
Executive Directors				
1.	Mr. Ajay Anand	-	45,00,000	45,00,000
2.	Mr. Viswanathan Sivakumar	-	33,24,000	33,24,000
Non-Executive and Non-Independent Directors				
3.	Mrs. Rashmi Anand	-	-	-
Non-Executive and Independent Directors				
4.	Mr. Vinit Rathod	25,000	-	25,000
5.	Mr. Manan Shah	25,000	-	25,000
6.	Mr. Kartik Jethwa	25,000	-	25,000

Salient features of the Service Contract

Mr. Ajay Anand (Managing Director)	Terms of Agreement
Period of appointment	For a period of 3 years commencing from April 01, 2022 to March 31, 2025
Remuneration	Salary: Rs 3,75,000/- per month with an annual increase subject to a maximum of Rs 10,00,000/- per month.
Commission	Nil
Incentive Remuneration	Nil
Provident Fund, Gratuity & Leaves	To the extent not taxable under the Income Tax Act, 1961 and as per the rules of the Company.
Severance fees	There is no separate provision for payment of severance fees.
Notice period	Contract of Employment may be terminated by serving three months advance written notice to the Board.

Mr. Viswanathan Sivakumar (Executive Director & CFO)	Terms of Agreement
Period of appointment	For a period of 3 years commencing from June 25, 2021 to June 24, 2024.
Remuneration	Salary: Rs 2,80,000/- per month with an annual increase subject to a maximum of Rs 3,50,000/- per month.

Commission	Nil
Incentive Remuneration	Nil
Provident Fund, Gratuity & Leaves	To the extent not taxable under the Income Tax Act, 1961 and as per the rules of the Company.
Severance fees	There is no separate provision for payment of severance fees.
Notice period	Contract of Employment may be terminated by serving three months advance written notice to the Board.

Note:

- Salary includes perquisites, if any.
- The Company also reimburses the out-of-pocket expenses incurred by the Directors for attending the meetings.
- Apart from sitting fees for attending Board/Committee meetings, no other fees/compensation is paid to Non - Executive Directors.
- Your Company does not have any stock option scheme for its Directors and employees.

10. DETAILS OF GENERAL BODY MEETINGS/ EXTRA-ORDINARY GENERAL MEETINGS HELD BY THE COMPANY

For FY	Type & Date	Venue	Time	Special Resolution
2019-20	EGM 07/12/2019	Plot No. 146, Waghdhara Village Road, Dadra – 396193, Union Territory of Dadra & Nagar Haveli	10.00 am.	No special resolution was passed.
2019-20	23 rd AGM 30/09/2020	Through Video Conferencing	12.00 Noon	No Special Resolution was passed.
2020-21	24 th AGM 23/08/2021	Through Video Conferencing	10.00 am.	<ol style="list-style-type: none"> Re-appointment of Mr. Ajay Anand (DIN:00373248) as 'Managing Director' of the Company. Appointment of Mr. Viswanathan Sivakumar (DIN:09211111) as a Whole time Director designated as 'Executive Director and CFO'. Re-appointment of Mr. Vinit Rathod (DIN:07589863) as an Independent Director of the Company. Re-appointment of Mr. Manan Shah (DIN:07589737) as an Independent Director of the Company.
2021-22	25 th AGM 20/09/2022	Through Video Conferencing	10.30 am.	No Special Resolution was passed.

11. POSTAL BALLOT

11.1 Details of special resolution passed last year through postal ballot along with voting pattern

During the year under review, the Company has conducted one Postal Ballot by remote e-voting process only, from November 15, 2022 to December 14, 2022 vide notice of Postal Ballot dated November 10, 2022, to seek the Members approval by way of passing a Special Resolution for following resolutions:

- a. Approval for enhancement of limits of Material Related Party Transactions for Financial Year 2022-23;
- b. Approval of the Material Related Party Transactions for Financial Year 2023-24;

The Board of Directors appointed M/s. A.D. Parekh & Associates, Practicing Company Secretary (Membership No. 31990, CP No. 24267), as the Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner and he submitted his report on December 15, 2022 and the result of postal ballot was announced on same date. Accordingly, the Special Resolutions were passed with requisite majority on December 14, 2022.

Voting pattern:

Res no.	Resolution	Type of resolution	Postal Ballot		E-Voting		Result
			For	Against	For	Against	
1.	Approval for enhancement of limits of Material Related Party Transactions for Financial Year 2022-23.	Ordinary	--	--	1511114 (100.00%)	0 (0.00%)	Passed with requisite majority
2.	Approval of the Material Related Party Transactions for FY 2023-24.	Ordinary	--	--	1511114 (100.00%)	0 (0.00%)	Passed with requisite majority

11.2 Procedure for postal ballot

The postal ballot was conducted pursuant to the provisions of Sections 108, 110 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), [including any statutory modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force] and General Circular Nos. 14/2020 dated April 08, 2020 and 17/2020 dated April 13, 2020, read with other relevant circulars, including General Circular No. 10/2021 dated June 23, 2021, General Circular No. 20/2021 dated December 08, 2021 and General Circular No. 3/2022 dated May 05, 2022 issued by the Ministry of Corporate Affairs, Government of India ("MCA Circulars"), Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India ("ICSI") and any other applicable law, rules and regulations.

In accordance with the MCA Circulars, Postal Ballot was conducted through the remote e-voting process only.

11.3 No special resolution is proposed to be passed through Postal Ballot as on the date of this Report.

12. MEANS OF COMMUNICATION

The Company's annual, half yearly and the quarterly financial results are communicated to the Stock Exchanges

immediately after the same are approved by the Board. The Company publishes its annual, half yearly and the quarterly financial results in the following Newspapers:

(i) Indian Express (English)

(ii) Financial Express (Gujarati)

Also, they are uploaded on the company's website www.fazethreeautofab.com. The results are published in accordance with the guidelines of the Stock Exchanges. In line with the exiting provisions of the SEBI Listing Agreement, the Company has created a separate e-mail address viz. cs@fazethreeautofab.com to receive complaints and grievances of the investors.

13. GENERAL SHAREHOLDER INFORMATION

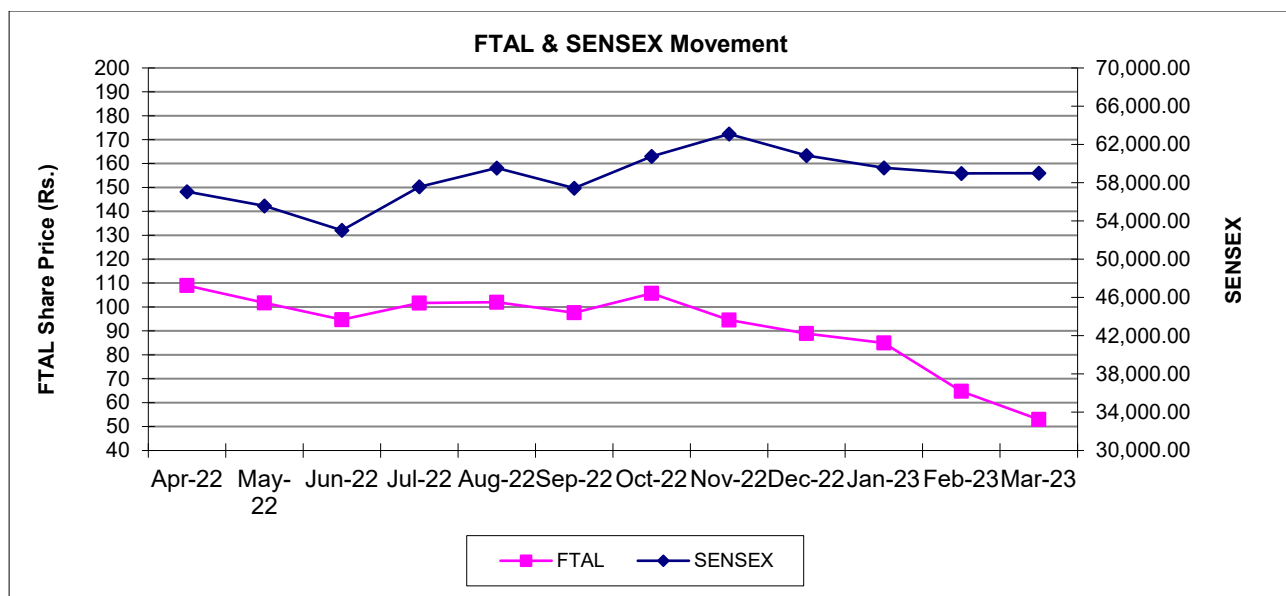
a.	AGM, Date, Time and Venue	Friday, September 22, 2023 at 10.30 a.m., through video conferencing ("VC").
b.	Financial year	Financial Year: April 01 to March 31 of the next calendar year. Quarterly, Half-Yearly and Annual Financial Results of the Company shall be submitted to the Stock Exchange within the time prescribed under Regulation 33 of the SEBI Listing Regulations.
c.	Dividend payment date	Not Applicable
d.	the name and address of each stock exchange(s) at which the Company's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s)	BSE Limited P. J. Towers, Dalal Street, Mumbai – 400 001 Listing Fees for the year 2023-2024 has been paid.
e.	Stock Code Demat ISIN No. for NSDL and CDSL	BSE Limited - 532459 INE207D01017
f.	Market Price data: High, Low during each month in last financial year	Information has been given at the end of clause 11
g.	Stock performance of the Company in comparison to BSE Sensex. (April, 2022 to March, 2023)	Information has been given at the end of clause 11.
h.	Registrar and Share Transfer Agent	Link Intime India Private Limited C 101, 247 Park, L B S Marg, Vikhroli (West), Mumbai - 400 083 Phone: 022 - 4918 6270, Website: www.linkintime.co.in Email: rnt.helpdesk@linkintime.co.in
i.	Share Transfer System	Pursuant to Regulation 40 of SEBI Listing Regulations, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed unless the securities are held in dematerialised form with a depository. The shares lodged for dematerialisation are processed within 15 (fifteen) days from the date of their lodgement, if instruments are found valid and complete in all respects. The transactions of the shares held in Demat and Physical form are handled by the Company's Registrar and Share Transfer Agent M/s. Link Intime India Private Limited.

j.	Distribution of Shareholding as on March 31, 2023	Information has been given at the end of clause 11.
k.	Dematerialisation of shares and liquidity	As on March 31, 2023, 98.77 % of the Company's paid-up share capital representing 1,05,91,749/- ordinary shares were held in dematerialised form.
l.	Outstanding GDRs/ADRs/ Warrants or any convertible instruments, conversion date and likely impact on equity	There are no outstanding GDRs/ ADRs/ Warrants or any Convertible instruments issued by the Company.
m.	Commodity price risk or foreign exchange risk and hedging activities.	The Company is not dealing in commodity and Foreign Exchange hence there is no risk related to commodity price or Foreign Exchange and hedging activities.
n.	Plant Locations	FAZE THREE Autofab Limited Plot No. 445, Waghdhara Village Road, Dadra – 396 193, Union Territory of Dadra & Nagar Haveli.
o.	Address for Correspondence	FAZE THREE Autofab Limited 63, 6 th Floor, Mittal Court, C Wing, Nariman Point, Mumbai – 400 021 Phone: 022 6660 4600 / 4351 4444 Website: www.fazethreeautofab.com Email Id: cs@fazethreeautofab.com
p.	List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad.	The Company does not have any debt instruments or any fixed deposits scheme or programme and as of now there is no proposal of any scheme or programme in respect of mobilisation of funds, whether in India or abroad, hence credit rating in relation to said purpose is not applicable to the Company.
q.	Date of Book Closure	Thursday, September 21, 2023 to Friday, September 22, 2023 (both days inclusive)

Information in respect of clause 11 (f)

Market Price data: High, Low during each month (April, 2022 to March, 2023) are given in the table below:

Monthly closing quotations along-with closing quotes of SENSEX on BSE Ltd. during the year ended March 31, 2023.



Information in respect of clause 11 (g)

Stock performance of the Company in comparison to BSE SENSEX (April, 2022 to March, 2023)

Month	On BSE		Volume (No of shares)	BSE SENSEX High	BSE SENSEX Low
	Month's High Price	Month's Low Price			
Apr-22	128.00	100.10	44,858	60,845.10	56,009.07
May-22	123.95	84.30	49,386	57,184.21	52,632.48
Jun-22	114.00	77.95	57,371	56,432.65	50,921.22
Jul-22	114.95	86.05	57,416	57,619.27	52,094.25
Aug-22	122.00	98.00	71,735	60,411.20	57,367.47
Sep-22	124.00	94.50	1,04,691	60,676.12	56,147.23
Oct-22	112.10	96.00	60,668	60,786.70	56,683.40
Nov-22	110.00	87.10	49,431	63,303.01	60,425.47
Dec-22	98.00	78.10	62,848	63,583.07	59,754.10
Jan-23	91.50	81.55	20,578	61,343.96	58,699.20
Feb-23	87.95	62.50	22,684	61,682.25	58,795.97
March-23	69.95	47.98	1,79,533	60,498.48	57,084.91

Information in respect of clause 11 (j)

Distribution of Shareholding as on March 31, 2023:

Sr. No.	No. of Equity Shares held		Shareholders		Shareholding	
	From	To	Nos.	%	Nos.	%
1	Upto 100		1514	48.40	58000	0.54
2	101	200	885	28.29	136079	1.27
3	201	500	384	12.28	132829	1.24

4	501	1000	181	5.79	139110	1.30
5	1001	5000	124	3.96	280820	2.62
6	5001	10000	18	0.58	123868	1.16
7	10001	100000	14	0.45	410249	3.83
8	100001 and above		8	0.26	9442252	88.05
TOTAL			3128	100	10723207	100

Shareholding Pattern as on March 31, 2023

Category code	Category of Shareholder	Total no. of shares	%
(A)	Promoter and Promoter Group Holding		
1	Indian Promoters	80,34,201	74.92
2	Foreign Promoters	0	0.00
	Sub Total (A)	80,34,201	74.92
(B)	Non-Promoter shareholding		
1	Institutions		
(a)	Mutual Funds	150	0.00
(b)	Financial Institutions/ Banks	150	0.00
	Sub-Total (B)	300	0.00
(C)	Non-institutions		
(a)	Private Bodies Corporate	15,40,748	14.37
(b)	Individuals –	8,08,399	7.54
	i. Individual shareholders holding nominal share capital up to Rs 2 lakhs		
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	91,553	0.85
(c)	Any Other		
	LLP	20,000	0.19
	HUF	1,20,766	1.13
	Clearing Members	1725	0.02
	KMPs	1	0.00
	Foreign Nationals	3750	0.03
(d)	NRI	1,01,764	0.95
	Sub-Total (C)	26,88,706	25.08
	GRAND TOTAL (A)+(B)+(C)	1,07,23,207	100.00

Shareholding Summary

Particulars	No of Shares	%
NSDL	22,04,747	20.56
CDSL	83,87,002	78.21
Physical	1,31,458	1.23
Total	1,07,23,207	100.00

14. OTHER DISCLOSURES

a. Disclosure on material related party transactions:

All material transactions entered into with related parties as defined under the Act and Regulation 23 of SEBI Listing Regulations during the financial year were in the ordinary course of business and at arm's length basis. These have been approved by the audit committee and shareholders at the AGM and through Postal Ballot.

The board has approved a policy for related party transactions which has been uploaded on the Company's website at <https://www.fazethreeautofab.com/web/investor/5policies.html>

b. Details of non-compliance by the Company, penalties, strictures imposed on the Company by the stock exchanges or the SEBI or any statutory authority, on any matter related to capital markets, during the last three years 2019-20, 2020-21 and 2021-22 respectively:

The Company is in full compliance with the matters related to capital market and there are no penalties and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

c. Details of establishment of vigil mechanism/whistle blower policy, and affirmation that no personnel has been denied access to the Audit Committee:

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as defined under Regulation 22 of SEBI Listing Regulations for directors and employees to report concerns about unethical behaviour. In terms of the Policy of the Company, no personnel have been denied access to the Chairman of the Audit Committee of the Board. During the year under review, no concern from any whistleblower has been received by the Company.

The said policy is available at <https://www.fazethreeautofab.com/web/investor/5policies.html>

d. Web links for Policies:

All the requisite policies including policy for determining material subsidiary and policy on materiality of related party transactions and dealing with related party transactions are available on Company's website at <https://www.fazethreeautofab.com/web/investor/5policies.html>

e. The disclosure of commodity price risks and commodity hedging activities:

The Company is not dealing in commodity and Foreign Exchange hence there is no risk related to commodity price or Foreign Exchange and hedging activities.

f. Details of Utilisation of funds raised through preferential Allotment or qualified institutions placement:

During the year under review, the Company has not raised any fund through preferential Allotment or qualified institutions placement.

g. Certificate from Practicing Company Secretaries:

As required by Clause 10(i) of Part C under Schedule V of the SEBI Listing Regulations, the Company has received a certificate from Mr. Ankit D Parekh proprietor of M/s. A. D. Parekh & Associates, Practicing Company Secretaries certifying that none of the Directors have been debarred or disqualified from being appointed or continuing as

Directors of the Company by Securities and Exchange Board of India or Ministry of Corporate Affairs or such other statutory authority and the same is given as an Annexure to Boards Report.

h. Recommendation of Committee:

During the year under review, there are no such cases where the recommendation of any Committee of Board, have not been accepted by the Board, which is mandatorily required to be accepted as per the law.

i. Total fees paid to the Statutory Auditors:

Total fees for all the services paid by the Company to the statutory auditor are available in the notes to financial statements which forms an integral part of this report.

j. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Sr. No.	Particulars	Details
1.	Number of complaints filed during the financial year	Nil
2.	Number of complaints disposed of during the financial year	Nil
3.	Number of complaints pending as on end of the financial year	Nil

k. Disclosure by listed entity of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount':

The Company has not given any loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount.

l. Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries. – Not applicable

15. NON-COMPLIANCE OF CORPORATE GOVERNANCE

There is no Non-Compliance of any requirement of Corporate Governance Report of sub-para (2) to (10) of the Part C of Schedule V of the SEBI Listing Regulations.

16. DISCLOSURE WITH RESPECT TO THE DISCRETIONARY REQUIREMENTS AS SPECIFIED IN PART E OF SCHEDULE II.

The Company has implemented the mandatory requirements of Corporate Governance as set out in the SEBI Listing Regulations. The Company has adopted the following discretionary requirements of the SEBI Listing Regulations:

- The Company follows the regime of financial statements with unmodified audit opinion.
- The internal auditor reports directly to the Audit Committee as well as the Board of Directors.

17. COMPLIANCE OF CORPORATE GOVERNANCE

The Company has complied with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI Listing Regulations.

18. DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

A declaration to this effect signed by the Managing Director of the Company is given as an Annexure to Boards Report.

19. COMPLIANCE CERTIFICATE

Compliance Certificate as stipulated in Chapter IV of SEBI Listing Regulations obtained from Practicing Company Secretary, certifying the Compliance by the Company with the provisions of Corporate Governance of the SEBI Listing Regulations is given as an Annexure to Boards Report.

20. CEO AND CFO CERTIFICATION

Mr. Ajay Anand, Managing Director and Mr. Viswanathan Sivakumar, Chief Financial Officer of the Company have provided compliance certificate to the Board of Directors, in terms of Regulation 17(8) of the SEBI Listing Regulations which is given as an Annexure to Boards Report.

21. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT

The Company does not have any Demat Suspense/Unclaimed Suspense Account.

22. DISCLOSURE OF CERTAIN TYPES OF AGREEMENTS BINDING LISTED ENTITIES

Information disclosed under clause 5A of paragraph A of Part A of Schedule III of these regulations - None

**For and on behalf of Board of Directors
FAZE THREE Autofab Limited**

Date: August 14, 2023

Place: Mumbai

**Sd/-
Ajay Anand
Managing Director
DIN: 00373248**

**Sd/-
Rashmi Anand
Director
DIN: 00366258**

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

To,
**The Shareholders of
FAZE THREE Autofab Limited**

Sub: Compliances with Code of Conduct

I hereby declare and confirm that the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct as adopted by the Board of Directors for the financial year ended March 31, 2023.

Place: Mumbai
Date: April 20, 2023

For FAZE THREE Autofab Limited
Sd/-
Ajay Anand
Managing Director

CEO / CFO CERTIFICATE UNDER REGULATION 17(8) OF SEBI (LODR) REGULATIONS 2015

To,
The Board of Directors
FAZE THREE Autofab Limited

- A. We have reviewed financial statements and the cash flow statement for the financial year ended March 31, 2023 and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the financial year ended March 31, 2023 which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee
- (1) significant changes in internal control over financial reporting during the financial year ended March 31, 2023;
 - (2) significant changes in accounting policies during the financial year ended March 31, 2023 and that the same have been disclosed in the notes to the financial statements; and
 - (3) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

For FAZE THREE Autofab Limited

Place: Mumbai
Date: May 03, 2023

Sd/-
V. Sivakumar
Executive Director & CFO

Sd/-
Ajay Anand
Managing Director

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members
Faze Three Autofab Limited

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **FAZE THREE AUTOFAB LIMITED** having CIN: **L17120DN1997PLC000196** and having registered office at Plot No. 445, Waghdhara Village Road, Village Dadra, Dadra & Nagar Haveli - 396193 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Company*
1.	Ajay Anand	00373248	01/04/2009
2.	Rashmi Ajay Anand	00366258	21/08/2019
3.	Vinit Arvind Rathod	07589863	09/09/2016
4.	Manan Manoj Shah	07589737	13/02/2017
5.	Kartik Ramesh Jethwa	08587759	25/06/2021
6.	Sivakumar Viswanathan	09211111	25/06/2021

* the date of appointment is as per MCA records.

Ensuring the eligibility for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Yours sincerely
For A. D. PAREKH & ASSOCIATES
Company Secretaries

Sd/-
CS AnkitD Parekh
M. No. ACS 31990
CoP No. 24267
Peer Review Cert. No. 2038/2022

UDIN: A031990E000803398

Place: Mumbai
Date: 14th August, 2023

PRACTISING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Faze Three Autofab Limited

I have examined the compliance of the conditions of Corporate Governance by Faze Three Autofab Limited ('the Company') for the year ended on March 31, 2023, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the management of the Company. My examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2023.

I further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Yours sincerely
For A. D. PAREKH & ASSOCIATES
Company Secretaries

Sd/-
CS AnkitD Parekh
M. No. ACS 31990
CoP No. 24267
Peer Review Cert. No. 2038/2022

UDIN: A031990E000803332

Place: Mumbai
Date: 14th August, 2023

MANAGEMENT DISCUSSION AND ANALYSIS REPORT**Global Economy and Outlook**

The Global economy considerably slowed down in 2022 relative to 2021. Following a slowdown at the end of 2022, economic activity rebounded in H1 2023. This rebound was driven in part by strong growth in China, as the lifting of COVID-19 restrictions unleashed pent-up demand, though recent indicators suggest that momentum is slowing in China predominantly in Real estate sector companies & youth employment crises, the Chinese yuan also has been weaker in 7.15-30/\$.

Europe showed resilience to the energy price shock stemming from Russia's war against Ukraine. The US economy remains strong, Real consumer spending grew at a solid pace early 2023 however owing to higher interest rates and tighter financial conditions it appears to be moderating. Manufacturing output and real fixed investment has been stable over last year or so. The Labour / Job market remains strong in terms of job openings and wage increases have moderated. In the last 9 months, Crude Oil has remained ~\$75-85 \$ after rising above \$120 in 2022 and core metals too have corrected from their peaks though their current levels are elevated from pre-pandemic era.

Asia (ex-China) is the bright spot, viz India, Vietnam, Indonesia, etc. The demographic dividend, stable governments, China Plus One and positive capital flows aided good economic recovery despite geopolitical issues around the region.

2024 looks promising despite an expectation of recession by global pundits in the next 6-9 months mainly on account of housing / real estate sector which forms major part of US & Chinese economy, withdrawal/reduction of stimulus by G7, relatively higher energy prices & geopolitical challenges. Lastly, the Global economy has sustained a COVID shock, 5%+ USD rates, Semiconductor shortage, Oil price Shock, War, etc. all in the last 3 years yet emerged strong and grown, which reiterates the resilience of the Global economy. Also there has been significant underinvestment in manufacturing ex-China globally over last 15 years, which presents an opportunity of growth for incumbents and fresh investments into productive side of the economy perhaps at the cost of excesses in the tech and consumer side of the economy.

Indian Economy and Outlook

India's economic growth in FY23 has been principally led by private consumption, Government expenditure and capital formation and they have helped generate employment as seen in the declining urban unemployment rate and in the faster net registration in Employee Provident Fund. Moreover, World's second-largest vaccination drive involving more than 2 billion doses also served to lift consumer sentiments that may prolong the rebound in consumption. Still, private capex soon needs to take up the leadership role to put job creation on a fast track.

Growth is expected to be brisk in FY24 as a vigorous credit disbursal, and capital investment cycle is expected to unfold in India with the strengthening of the balance sheets of the corporate and banking sectors. Further support to economic growth will come from the expansion of public digital platforms and path-breaking measures such as PM Gati Shakti, the National Logistics Policy, and the Production-Linked Incentive schemes to boost manufacturing output. The fiscal discipline in last 3 years and multifold efforts ensured Inflation was managed well and rate hikes were within manageable levels in the economy. The Public sector banks are in a very healthy position and most of the non-bank PSU now delivering record profitability is another bright spot in the economy. These entities are paying dividends and have become engines to drive capex in years to come.

India is unanimously expected globally to be fastest growing economy for FY 24/FY 25 in the world with our economy being 5th currently and expected to be third largest globally within 4 years.

INDUSTRY STRUCTURE AND DEVELOPMENTS

Automobile is the lifeline of present society. Trade, Industry and Commercial activity are extremely dependent on this sector. Therefore, it is no exception that tremendous growth and development is taking place in this sector. This automotive sector consumes a lot of textile materials that may be visible or concealed in automobile. The global consumption of textiles used in automobile industry is estimated to be over 4.5 lakh tonnes.

India's textiles sector is one of the oldest industries in the Indian economy, dating back to several centuries. India's strengths have already been defined in traditional textiles and natural fibres globally. It is the second largest producer of polyester in the world and is now emerging as a key player in the technical textiles industry contributing to a market size of \$ 19 Bn. Technical textiles is a fast-growing sub-segment that finds its usage in an array of sectors. The end use application of technical textiles is widespread and seen in industries such as agriculture, automotive, construction, sports apparel, healthcare etc.

Technical textiles provide new opportunity to the Indian textile industry to have long term sustainable future and as a segment is directly proportional to the stage of industrialization and economic growth of any country. Developing countries undergoing large scale industrialization fuel the demand for technical textile products. India's leap towards modernization and its manufacturing competitiveness are some of the key contributors to the growth of this segment. India has the advantage of having a strong raw material (fiber) base – of cotton, man-made fiber, silk, wool and jute. Moreover, India possesses excellence in the entire value chain extending from fiber to fabric to garments.

The Indian market also witnessed an impact due to shortage of semiconductors, non-availability of essential commodities, steep increase of inputs costs etc. The Indian market in many ways is also influenced by Government policies and regulations notified from time to time. Favorable government policies and improved incentives will provide support and impetus to the industrial growth. Other enabling factors in the growth of the industry include domestic market demand, FDI, JVs, and competitive strategies by the corporations.

Rising middle-class income and a huge youth population will result in strong demand. India is closer to the milestone of 4 Million passenger car produced per year with most car manufacturers increasing capacity and looking at the potential growth of the sector.

OPPORTUNITIES AND THREATS/CHALLENGES

Opportunities

The growth in Passenger car production and Indian economy projected to be 3rd largest is a great opportunity. Also under China plus One, technical textiles is a core focus sector with an exclusive PLI scheme for its development.

Threats / Challenges

The main raw materials for the company are Polyester yarn, PU Form and Dyes. The prices of said raw materials undergo lot of volatility depending on global crude prices and supply chain dynamics. High capital expenditure and skilled professional are key constraints in the sector.

The per capita consumption of technical textiles in India is 1.7 per kg vis-a-vis 10-12 kg in developed countries. Globally, the technical textiles contribute to about 27 percent of textile industry, in some of the western countries its share is even 50 percent while in India it is a meagre 11 percent. However, rising awareness regarding the benefits of technical textile is projected to propel its demand across various end-use industries.

A recent study revealed that the Global Purified Terephthalic Acid was worth USD 54. Billion in 2021 and is projected to reach USD 78.1 Billion by the year 2028, growing at a CGAR OF 5.6% over the analysis period of 2022-2028. The expansion in the purified terephthalic acid market is primarily attributed to the increment in demand for purified

terephthalic acid (PTA) in packaging as well as textile industries coupled with the ongoing trend towards urbanization and industrialization. Moreover, the improved lifestyle of consumers in the Asia-Pacific is also a significant factor driving the growth of the global terephthalic acid market during the forecast period 2022-2028.

SEGMENT WISE/ PRODUCT WISE PERFORMANCE

The Company is currently operating primarily under single business segment of manufacturing of technical textiles for Automotives.

COMPANY OVERVIEW AND OUTLOOK

The Company caters to Original Equipment Manufacturers (OEMs) and are largely concentrated in the domestic market. The Company derives more than 90% of its revenue from the domestic market. The Company currently estimates a market share of over 35% - 40% in the automotive fabrics business in India and aims to increase its market share with existing OEMs. The company has grown its Export business during the last few years and is actively looking to grow it further.

Company has an in-house research and development department to develop new designs as per the market trends. Further, Company works closely with its existing customers for development of latest designs and regular upgradation of technologies and know-how of its product enable it to continuously evolve technologically and remain competitive. The Long-term presence in the industry and its consistent performance in the terms of reliable & innovation, helps the company in getting regular orders as a preferred supplier. The Company believes that it will continue to benefit from its long presence in the automotive fabric industry and established relations with OEMs over the medium term.

The Company has continuously evolved in development planning and execution strategy to align with specific product needs and standardization of processes. There is constant interaction taking place with OEMs to showcase innovative capabilities which are in sync with the themes / vision of the OEM's for the future launches. The other set of factors that drive all new developments towards FTAL is QDS (Quality, Delivery & Service). Quality levels were drastically improved and 100% compliance to delivery schedules followed with all OEMs. Since all OEMs are Just in Time customers, the inventory flow management is key to gain QDS points.

RISKS AND CONCERNS

The Company is exposed to external and internal risks associated with the business. The operations of the Company are directly dependent on the growth of the Indian automotive industry.

The company's business may be impacted by introduction of new policies or changes in existing policies. The company's management team keeps a close eye on policy regulations and formulates company plans appropriately.

The company's raw material prices are influenced directly by global crude oil and INR depreciation, therefore ongoing geopolitical crises poses material risks.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The company has a proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that all transactions are properly authorized, recorded and reported correctly. Further, the internal control system is designed to ensure that all the financial and other records are reliable for preparing financial statements and for maintaining accountability of the assets.

Further, the adequacy of Internal Control Systems has also been mentioned in the Auditors' Report.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Financial Performance

- 1) Net Sales for the quarter ended March 31, 2023 stood at INR 40.11 Crores versus Rs. 83.32 Crores for quarter ended March 31, 2022.
- 2) Net Sales for the year ended March 31, 2023 stood at INR 168.47 Crores vs Rs. 196.03 Crores for year ended March 31, 2022.
- 3) Operating Profit (PBDIT) for the year ended March 31, 2023 stood at Rs.15.62 Crores vs Rs. 24.69 Crores for the previous year
- 4) Net Profit before Tax (NPBT) for the year ended March 31, 2023 stood at Rs. 6.97 Crores vs INR 15.09 Crores for the year ended March 31, 2022.
- 5) Net Profit after Tax (NPAT) for the year ended March 31, 2023 stood at Rs. 4.40 Crores vs Rs. 12.95 Crores for the year ended March 31, 2022.
- 6) Company has opted to continue with the old Corporate Income Tax regime for the current year.
- 7) Earnings Per Share for the year ended March 31, 2023 is Rs 4.11 per share versus Rs. 12.08 per share for year ended March 31, 2022.

HUMAN RESOURCES/ INDUSTRIAL RELATIONS

Your Company is committed to create an environment of engagement, transparency and meritocracy while also being performance oriented and balanced by responsibility towards the community it impacts. To the Company, its people are a very valuable resource.

Your Company aims to create an environment where every employee can contribute to the company's performance, excel and grow in their respective jobs. Our focus is to recruit employees with right skills and talent, raise competency through training and development, recognize and reward leadership and performance.

Company's talent acquisition strategy is to hire candidates with the right competencies required by the business at the right time. In an increasingly competitive market for talent, Your Company continues to focus on attracting and retaining the right talent. It is committed to provide the right opportunities to employees to realise their potential.

Your Company continues to enhance employee experience while listening and acting on feedback received through the employee engagement. Your Company has continued to maintain amicable industrial relations by focusing on increased worker level engagement through formal and informal Communication and training forums.

KEY FINANCIAL RATIOS

Sr. No.	Ratios	2022-23	2021-22	Explanation for significant change
1.	Debtor Turnover Ratio (times)	3.82	4.10	Not applicable
2.	Inventory Turnover Ratio (times)	6.43	8.01	Not applicable
3.	Current Ratio (times)	1.66	1.36	Not applicable
4.	Debt Equity Ratio (times)	0.97	1.39	Growth in revenue was funded through incremental working capital leading to increase in ratio.
5.	Interest Coverage Ratio (times)	3.06	2.86	Not applicable

6.	Operating Profit Margin (%)	9.29	12.60	Significant increase in raw material cost along-with other variables leading to decrease in ratio.
7.	Net Profit Margin (%)	3	7	Significant increase in raw material cost along-with other variables leading to decrease in ratio.
8.	Return on Net Worth (%)	8	26	Significant increase in raw material cost along-with other variables leading to decrease in ratio

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objective, projections, estimates, expectations or predictions may be forward looking statements within the meaning of the applicable corporate laws and regulations. It may be noted that the actual results may differ from that expressed or implied herein.

**For and on behalf of Board of Directors
FAZE THREE Autofab Limited**

Date: August 14, 2023
Place: Mumbai

**Sd/-
Ajay Anand
Managing Director
DIN: 00373248**

**Sd/-
Rashmi Anand
Director
DIN: 00366258**

Independent Auditor's Report

To the Members of
FAZE THREE AUTOFAB LIMITED

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of **FAZE THREE AUTOFAB LIMITED** ('the Company'), which comprise the balance sheet as at 31st March 2023, and the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the cash flow statement for the year then ended, and notes to the Ind AS financial statements, including a summary of the significant accounting policies and other explanatory information (herein after referred to as 'Ind AS financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2023, its Profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

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 SAs are further described in the Auditor's Responsibilities for the Audit of the Ind AS financial Statements 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 (ICAI) together with the ethical requirements that are relevant to our audit of the Ind AS 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 we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements of the current year. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matters:

Sr. No.	Key Audit Matters	Auditors Response
1	The Company has unutilized Minimum Alternate Tax (MAT) credit of Rs. 4.54 Crores as on 31 st March, 2023. Minimum Alternate Tax (MAT) credit is recognized only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. There is inherent uncertainty and management	Our procedures included: Evaluated whether the controls over management assumptions and key estimates for utilization of MAT credit in the future years are appropriately designed, implemented and operating effectively by performing combination of procedures

	<p>estimation involved in forecasting future taxable profits, which determines the extent to which MAT credit asset is recognized and carried forward.</p>	<p>involving enquiry, re performance and verification of evidences.</p> <p>Evaluated management's assumptions and key estimates with respect to the projections supporting sufficient future taxable profit in order to support the carry forward of MAT credit asset.</p>
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Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is no material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Ind AS Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes 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 design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS financial statements

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements 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 Ind AS financial statements.

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 Ind AS financial statements, 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 management.
- Conclude on the appropriateness of management's 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 Company's ability 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 Ind AS financial statements 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1) As required by the Companies (Auditors' Report) Order, 2020 ('the Order') issued by the Central Government in terms of Section 143 (11) of the Act, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

A) As required by Section 143(3) of the Act we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the cash flow statement dealt with by this report are in agreement with the books of account;
- d) In our opinion, the aforesaid Ind AS financial statements comply with the Ind AS specified under Section 133 of the Act;
- e) On the basis of the written representations received from the directors as on 31st March 2023 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2023 from being appointed as a director in terms of Section 164(2) of the Act; and
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.

B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i). As informed to us, the Company does not have any pending litigation which would impact its financial position, as on 31st March, 2023.
- ii). The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- iii). There were no amounts that were required to be transferred, to the Investor Education and Protection Fund by the Company; and

C) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1st April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the financial year ended March 31st, 2023.

D) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

**For Thakur, Vaidyanath Aiyar & Co.
Chartered Accountants
Firms Registration No. 000038N**

Sd/-

**C. V. Parameswar
Partner**

Membership No. 11541

UDIN No. 23011541BGWUSL1659

Place: Mumbai

Date: 03.05.2023

Annexure A to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirements of our report of even date to the financial statements of the Company for the year ended March 31, 2023:

(i) (a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property Plant & Equipment ('PPE);

(a) (B) The company is maintaining proper records showing full particulars of Intangible assets;

(b) The Property Plant & Equipment we are informed have been physically verified by the management during the year which in our opinion is reasonable having regard to the size of the Company and nature of its business. As per the information given to us no material discrepancy has been noticed on such verification.

(c) According to the information and explanations given to us, the records examined by us and based on the examination of the registered sale deed provided to us, we report that the title deeds comprising the properties of building which are free holds are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of records examined by us, the Company has neither revalued any of its Property, Plant and Equipment (including Right-of-use Assets) nor its Intangible Assets during the year. Accordingly, reporting under clause 3(i)(d) of the Order is not applicable.

(e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the Company for holding any Benami property under the Benami Transactions (Prohibitions) Act, 1988 (as amended in 2016) and Rules made there under. Accordingly, reporting under clause 3(i) (e) of the Order is not applicable.

(ii) (a) As informed to us physical verification of finished goods (excluding stock with Third parties) has been conducted by the management at the end of the year. In respect of stock lying with Third parties, these have been confirmed by them. In our opinion the frequency of verification is reasonable. As explained to us there were no material discrepancies noticed between the physical stock and book records

(b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets; according to the information and explanations given to us and on the basis of records examined by us, the quarterly returns and statements comprising stock and creditors statements, book debt statements and other stipulated financial information filed by the Company with such bank are not having material difference with the unaudited books of account of the Company, of the respective quarters and those differences are of explainable items and nature.

(iii) According to the information and explanations given to us, the Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence, the requirements under paragraph 3 (iii) of the Order are not applicable to the Company.

(iv) The Company has not granted any loan, made investments, provide guarantees, and security, to which provisions of sections 185 and 186 of the Companies Act are applicable. Accordingly, reporting under clause 3(iv) of the Order is not applicable.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits, to which directives issued by Reserve Bank of India and the provision of Sections 73 to 76, or any other relevant provisions of the Companies Act and rules made there under, are applicable According to the information. and explanations given to us, no order has been passed by the

Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal. Accordingly, reporting under clause 3(v) of the Order is not applicable.

(vi) The requirement of maintenance of cost record under section 148(1) of the Companies Act 2013 is not applicable to the Company for the year.

(vii) (a) According to information and explanations given to us and on the basis of our examination of the books of account and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees, State Insurance, Income-Tax, Sales tax, Service Tax, Goods and Service Tax (GST), Duty of Customs, Duty of Excise, Value added Tax, Cess and any other material statutory dues with the appropriate authorities, wherever applicable. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2023 for a period of more than six months from the date on when they become payable.

(b) According to the information and explanations given to us and on the basis of the books and records examined by us, there are no statutory dues referred to in sub-clause (a) above, which have not been deposited on account of disputes as on March 31, 2023.

(viii) According to the information and explanations given to us, the Company did not have any transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(ix)(a) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to a financial institution, bank, Government or dues to debenture holders.

(b) According to the information and explanations given to us and on the basis of our audit procedures, the Company is not declared wilful defaulter by any bank or financial institution or other lender.

(c) According to the information and explanations given to us and on the basis of the books and records examined by us, the loans taken during the year have been applied for the purposes for which those were obtained.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that funds raised on short-term basis have not been utilised for long-term purposes.

(e) & (f) Company does not have any subsidiaries or associate companies. Accordingly, the provisions of clause 3(ix) (e) & (f) of the Order are not applicable to the Company and hence not commented upon.

(x)(a) According to the information and explanations given to us and on the basis of the books and records examined by us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3 (x) (a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of the books and records examined by us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, reporting under clause 3(x) (b) of the Order is not applicable.

(xi)(a) On the basis of books and records of the Company examined by us and according to the information and explanations given to us, we report that no material fraud by the Company or any fraud on the Company has been noticed or reported during the year in the course of our audit.

(b) According to the information and explanations given to us, no report under section 143(12) of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the management, the Company has not received any whistle-blower complaint during the year and up to the date of this report.

(xii) The Company is not a Nidhi Company. Accordingly, reporting under clause 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and on the basis of records of the Company examined by us, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) (a) According to the information and explanations given to us, in our opinion the Company has an adequate internal audit system commensurate with the size and nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

(xv) According to the information and explanations given to us and on the basis of the books and records examined by us, the Company has not entered into non-cash transactions with directors or persons connected to its directors to which provision of section 192 of Companies Act are applicable. Accordingly, reporting under clause 3(xv) of the Order is not applicable.

(xvi)(a) As per the information and explanations given to us and on basis of books and records examined by us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934; the Company has not conducted any Non-banking Financial or Housing Finance activities during the year; the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and company is not part of any group that has CIC as a part of the group .Accordingly, reporting under clauses 3(xvi)(a), 3(xvi)(b) , 3(xvi)(c) and 3(xvi)(d) of the Order are not applicable to the Company.

(xvii) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not incurred cash losses in the financial year and in the immediately preceding financial year. Accordingly, reporting under clause 3 (xvii) of the Order are not applicable to the Company

(xviii) There has been no resignation by the statutory auditors of the Company during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix.) On the basis of financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and more particularly, our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) As per the information and explanations given to us and on basis of books and records examined by us, we report that the Company has no unspent amount for ongoing projects and other than for ongoing projects, which is required to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-

section (5) of section 135 of the said Act; and provision of subsection (6) of section 135 under clause (xx) of the Order is not applicable to the Company for the year.

(xxi) Since the company does not have any subsidiary, joint venture or associate accordingly reporting under clause 3(xxi) of the Order is not applicable to the Company for the year.

**For Thakur, Vaidyanath Aiyar & Co.
Chartered Accountants
Firms Registration No. 000038N**

**Place: Mumbai
Date: 03.05.2023**

**Sd/-
C. V. Parameswar
Partner
Membership No. 11541
UDIN No. 23011541BGWUSL1659**

Annexure B to the Independent Auditor's Report of even date on the Ind AS Financial Statements FAZE THREE AUTOFAB LIMITED for the year ended 31st March 2023

Report on the Internal Financial Controls over financial reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act").

We have audited the internal financial controls over financial reporting of **FAZE THREE AUTOFAB LIMITED** ("the Company") as of 31st March, 2023 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial

statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2023, based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Thakur, Vaidyanath Aiyar & Co.
Chartered Accountants
Firms Registration No. 000038N**

Sd/-

**C. V. Parameswar
Partner**

**Membership No. 11541
UDIN No. 23011541BGWUSL1659**

**Place: Mumbai
Date: 03.05.2023**

Balance Sheet as at March 31, 2023

(Amount in Crores, unless otherwise stated)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	46.06	47.00
Financial assets			
Other financial assets	4	0.81	0.81
Total non-current assets		46.87	47.81
Current assets			
Inventories	5	24.93	24.22
Financial assets			
Trade Receivables	6	40.60	47.63
Cash and cash equivalents	7	0.04	8.09
Bank balances other than cash and cash equivalent	8	0.02	0.04
Current tax assets (net)	9	1.04	0.35
Other current assets	10	5.33	5.36
Total current assets		71.96	85.69
Total assets		118.83	133.50
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	10.72	10.72
Other equity	12	43.11	38.89
Total equity		53.83	49.61
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	13	17.86	18.73
Provisions	14	1.06	0.81
Other non-current liabilities	15	1.20	1.20
Deferred tax liability (net)	28	1.54	0.13
Total non-current liabilities		21.66	20.87
Current liabilities			
Financial liabilities			
Borrowings	16	33.84	46.84
Trade payables	17		
i) total outstanding dues of micro enterprises and small enterprises		0.16	0.16
ii) total outstanding dues of creditors other than micro enterprise and small enterprise		5.95	9.51
Other financial liabilities	18	0.99	3.71
Other current liabilities	19	2.16	2.61
Provisions	14	0.24	0.19
Total current liabilities		43.34	63.02
Total liabilities		65.00	83.89
Total equity and liabilities		118.83	133.50

See accompanying notes to the financial statements

1-52

The accompanying notes are an integral part of the financial statements.

As per our report of even date

 For **THAKUR VAIDYANATH AIYAR & CO.**

Chartered Accountants

ICAI Firm Registration No.:000038N

For and on behalf of Board of Directors of

FAZE THREE AUTOFAB LIMITED

CIN: L17120DN1997PLC000196

C V Parameswar

Partner

Membership No: 11541

AJAY ANAND

Managing Director

DIN: 00373248

RASHMI ANAND

Director

DIN: 00366258

Place : Mumbai
Date : May 03, 2023
V. SIVAKUMAR

Whole-time Director & CFO

DIN: 09211111

AKRAM SATI

Company Secretary

M No: 50020

Statement of Profit and Loss for the year ended March 31, 2023

(Amount in crores, unless otherwise stated)

Particulars	Notes	Year ended March 31, 2023	Year ended March 31, 2022
Income			
Revenue from operations	20	168.47	196.03
Other income	21	0.68	0.52
Total income		169.15	196.55
Expenses			
Cost of material consumed	22	90.21	102.73
Changes in inventories of finished goods and work-in-progress	23	(0.11)	(3.87)
Employee benefits expense	24	12.39	10.73
Finance costs	25	3.39	4.18
Depreciation and amortization expense	26	5.26	5.42
Other expenses	27	51.04	62.27
Total expenses		162.18	181.46
Profit before tax		6.97	15.09
Tax expense			
Current tax	28	2.37	2.33
Deferred tax (Net)		0.20	(0.19)
Total income tax expense		2.57	2.14
Profit for the year		4.40	12.95
Other comprehensive income			
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>			
Re-measurement on net defined benefit plans		(0.19)	0.01
Total other comprehensive income for the year		(0.19)	0.01
Total comprehensive income for the year		4.21	12.96
Earnings per share			
Basic (₹/share)	29	4.11	12.08
Diluted (₹/share)	29	4.11	12.08

See accompanying notes to the financial statements 1-52

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For **THAKUR VAIDYANATH AIYAR & CO.**
Chartered Accountants
ICAI Firm Registration No.:000038N

For and on behalf of Board of Directors of
FAZE THREE AUTOFAB LIMITED
CIN: L17120DN1997PLC000196

C V Parameswar
Partner
Membership No: 11541

AJAY ANAND
Managing Director
DIN: 00373248

RASHMI ANAND
Director
DIN: 00366258

Place : Mumbai
Date : May 03, 2023

V. SIVAKUMAR
Whole-time Director & CFO
DIN: 09211111

AKRAM SATI
Company Secretary
M No: 50020

Statement of Cash Flows for the year ended March 31, 2023

(Amount in crores, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Cash flow from operating activities		
Profit before tax	6.97	15.09
Adjustments for:		
Other comprehensive income	(0.19)	0.01
Depreciation and amortization expenses	5.26	5.42
Finance cost	3.39	4.18
Interest income	(0.02)	(0.01)
Operating profit/ (loss) before working capital changes	15.41	24.69
Changes in working capital		
(Decrease)/increase in trade payables	(3.56)	(6.00)
Decrease/ (increase) in inventories	(0.70)	(4.59)
Decrease/ (increase) in trade receivables	7.03	0.38
(Decrease)/ increase in other current liabilities	(0.39)	(0.81)
(Decrease)/ increase in non-current liabilities	0.25	(0.00)
(Decrease)/ increase in current tax liabilities(net)	-	(0.14)
(Decrease)/ increase in other financial liabilities	(2.73)	(2.97)
Decrease/ (increase) in other financial assets	(0.01)	0.03
Decrease/(increase) in other current assets	0.02	(3.10)
Cash generated from operations	15.32	7.49
Income tax paid	1.85	2.30
Net cash generated used in operating activities (A)	13.47	5.19
Cash flow from Investing activities		
Payment for property, plant and equipment and intangible assets	(4.39)	(3.29)
Proceeds from sale/ disposal of fixed assets	0.07	0.19
(Investments)/Net proceeds from fixed deposits	0.03	-
Interest received	0.02	0.01
Net cash flow used in investing activities (B)	(4.27)	(3.09)
Cash flow from Financing activities		
Proceeds / (Repayment) of long term borrowings	(0.86)	(2.33)
Proceeds / (Repayment) of short-term borrowings	(13.00)	12.45
Interest paid	(3.39)	(4.18)
Net cash flow from/ (used in) financing activities ©	(17.25)	5.94
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(8.05)	8.04
Cash and cash equivalents at the beginning of the year	8.09	0.05
Cash and cash equivalents at the end of the year	0.04	8.09
Cash and cash equivalents comprise		
Balances with banks		
On current accounts	0.01	0.02
Cash on hand	0.03	0.02
Cheques on hand	-	8.05
Total cash and bank balances at the end of the year (refer note 7)	0.04	8.09

The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7, Statement of Cash Flows as specified in the Companies (Indian Accounting Standards), Rules, 2015 (as amended).

See accompanying notes to the financial statements

1-52

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **THAKUR VAIDYANATH AIYAR & CO.**

Chartered Accountants

ICAI Firm Registration No.:000038N

For and on behalf of Board of Directors of

FAZE THREE AUTOFAB LIMITED

CIN: L17120DN1997PLC000196

C V Parameswar

Partner

Membership No: 11541

AJAY ANAND

Managing Director

DIN: 00373248

RASHMI ANAND

Director

DIN: 00366258

Place : Mumbai

Date : May 03, 2023

V. SIVAKUMAR

Whole-time Director & CFO

DIN: 09211111

AKRAM SATI

Company Secretary

M No: 50020

Statement of change in equity for the year ended March 31, 2023 (Amount in crores, unless otherwise stated)

(A) Equity share capital	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Amount	No. of shares	Amount
Equity shares of ₹10/- each issued, subscribed and fully paid				
Opening balance	1,07,23,207	10.72	1,07,23,207	10.72
Changes in equity share capital during the year	-	-	-	-
Closing balance	1,07,23,207	10.72	1,07,23,207	10.72

(B) Other equity

	Reserves and surplus		Total
	General reserve	Retained earnings	
Balance as at April 01, 2022	27.74	11.15	38.89
Profit for the year	-	4.40	4.40
Other comprehensive income	-	(0.19)	(0.19)
Balance as at March 31, 2023	27.74	15.37	43.11

	Reserves and surplus		Total
	General reserve	Retained earnings	
Balance as at April 01, 2021	27.74	(1.81)	25.93
Profit for the year	-	12.95	12.95
Other comprehensive income	-	0.01	0.01
Balance as at March 31, 2022	27.74	11.15	38.89

See accompanying notes to the financial statements

1-52

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **THAKUR VAIDYANATH AIYAR & CO.**

Chartered Accountants

ICAI Firm Registration No.:000038N

For and on behalf of Board of Directors of

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V. SIVAKUMAR

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DIN: 09211111

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Company Secretary

M No: 50020

Notes forming part of the Financial Statements for the year ended March 31 2023

1. General Information

Faze Three Autofab Limited (the "Company") is a public company domiciled in India and was incorporated on October 03, 1997 under the provisions of the Companies Act, 1956 applicable in India. The Company's equity shares are listed on the Bombay Stock Exchange. Its registered and principal office of business is located at Dadra & Nagar Haveli. The Company is primarily engaged in the manufacturing of Automotive fabrics and is nominated supplier to all the major O.E.M.'s in India viz. Hyundai, Ford, Maruti Suzuki, Honda, Mahindra, Toyota, Renault, Tata, Nissan, Skoda etc.

2. Significant accounting policies

Significant accounting policies adopted by the company are as under:

2.1 Basis of Preparation of Financial Statements

a) Statement of Compliance with Ind AS

These financial statements of Faze Three Autofab Limited ("the Company") have been prepared in accordance with Ind AS notified under Section 133 of the Companies Act, 2013 (the 'Act') read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III) and other relevant provisions of the Act.

The financial statements are approved by the Company's Board of Directors and authorised for issue on May 03, 2023.

These financial statements are presented in Indian National Rupee ('INR') and all values rounded to the nearest crores, except otherwise indicated.

Accounting policies have been consistently applied to all the years presented except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

b) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and future years affected.

2.2 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

Depreciation methods, estimated useful lives

The Company depreciates property, plant and equipment over their estimated useful lives using the straight line method. The estimated useful lives of assets are as follows:

Property, plant and equipment	Useful life in years
Factory Building	30 years
Plant & Machinery	15 years
Laboratory Equipments	10 years
Furniture and Fixtures	10 years
Office Equipment	10 years
Electrical Installations	10 years
Fire Hydrant Systems	15 years
Vehicles	8 years
Computers:	
-Servers	5 years
-End user devices such as, desktops, laptops etc.	3 years

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income'.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

2.3 Other Intangible Assets

Intangible assets are stated at acquisition cost, net of accumulated amortization.

The Company amortized intangible assets over their estimated useful lives using the straight-line method. The estimated useful lives of intangible assets are as follows:

Intangible assets	Useful Life
Software	3 years

Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

2.4 Foreign Currency Transactions

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian National Rupee (INR), which is the Company's functional and presentation currency.

Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised as income or expense in the period in which they arise in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

2.5 Revenue Recognition

Sale of goods:

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns and allowances, trade discounts and volume rebates, value added taxes, goods and service tax (GST) and amounts collected on behalf of third parties.

Rendering of Services:

Revenue is recognised when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met as described below.

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of indirect taxes, trade allowances, rebates and amounts collected on behalf of third parties and is not recognised in instances where there is uncertainty with regard to ultimate collection. In such cases revenue is recognised on reasonable certainty of collection.

Interest Income:

Interest income is recognized on a time proportion basis taking into account outstanding and the applicable interest rate. Interest income is included under the head "other income" in the Statement of Profit and Loss.

Export Incentives

Export Incentive from the government is recognised when there is a reasonable assurance that (i) the company will comply with the conditions attached to them and (ii) the incentive will be received.

When the incentive relates to revenue, it is recognised as income on a systematic basis in the statement of profit or loss over the periods necessary to match them with the related income, which they relate to.

2.6 Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

(A) Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year-end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(B) Deferred tax

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(C) Minimum Alternate Tax (MAT)

Minimum Alternate Tax ('MAT') credit entitlement is recognized as a deferred tax asset if it is probable that MAT credit will reverse in the foreseeable future and taxable profit will be available against which the deferred tax asset can be utilised.

2.7 Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials, packaging materials and stores and spare parts are valued at lower of cost and net realizable value. Cost includes purchase price, (excluding those subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. In determining the cost, weighted average cost method is used.

Work in progress, manufactured finished goods and traded goods are valued at the lower of cost and net realisable value. Cost of work in progress and manufactured finished goods is determined on the weighted average basis and comprises direct material, cost of conversion and other costs incurred in bringing these inventories to their present location and condition. Cost of traded goods is determined on a weighted average basis.

Provision of obsolescence on inventories is considered on the basis of management's estimate based on demand and market of the inventories.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and the estimated costs necessary to make the sale.

The comparison of cost and net realizable value is made on item by item basis.

2.8 Trade Receivables

Trade Receivables are amounts due from customers for sale of goods or services performed in the ordinary course of business. Trade Receivables are recognised initially at fair value. They are subsequently measured at amortised cost using the effective interest method, net of provision for impairment. The carrying value less impairment provision of trade receivables, are assumed to be approximate to their fair values.

2.9 Impairment of non-financial assets

The Company assesses at each year end whether there is any objective evidence that a non-financial asset or a group of non-financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

2.10 Provisions and contingent liabilities

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The Company records a provision for decommissioning costs. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognized in the Statement of Profit and Loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

2.11 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and demand deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks and demand deposits.

2.12 Employee Benefits

(A) Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(B) Post-employment benefits

(i) Defined contribution plan

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

(ii) Defined benefit plans

Gratuity: The Company provides for gratuity, a defined benefit plan (the 'Gratuity Plan') covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the other comprehensive income in the year in which they arise.

2.13 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the year. The number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

2.14 Rounding off amounts

All amounts disclosed in financial statements and notes have been rounded off to the nearest crores as per requirement of Schedule III of the Act, unless otherwise stated. Amounts represented by '0' (zero) construes value less than Rupees fifty thousand.

2.15 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM)(Managing Director) of the Company. The Managing Director is responsible for allocating resources and assessing performance of the operating segments of the company.

During the period, entity was engaged in the business of automotive fabrics, which is the only operating segment as per Ind AS 108.

Notes forming part of the Financial Statements for the year ended March 31, 2023 (Amount in crores, unless otherwise stated)

3 Property, plant and equipment

Particulars	Gross block			Depreciation			Net block	
	As at April 1, 2022	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2023	For the year	Deductions/ Adjustments	As at March 31, 2023	March 31, 2022
Owned assets								
Freehold Land	3.88	-	-	3.88	-	-	-	3.88
Building	11.46	0.02	-	11.48	0.35	-	6.30	5.51
Plant and Machinery	83.66	3.13	0.62	86.17	4.18	0.55	53.36	33.93
Furniture & Fixtures	1.87	0.65	-	2.52	0.09	-	1.69	0.27
Vehicles	5.10	0.14	0.11	5.13	0.42	0.10	2.82	2.60
Office Equipment	0.64	0.18	-	0.82	0.03	-	0.48	0.19
Computers	1.52	0.16	-	1.69	0.09	-	1.43	0.18
Electrical Installation	2.20	0.05	-	2.25	0.04	-	1.94	0.30
Software	0.16	0.06	-	0.22	0.06	-	0.08	0.14
Total	110.49	4.39	0.73	114.16	5.26	0.65	68.10	47.00

Particulars	Gross block			Depreciation			Net block	
	As at April 1, 2021	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2022	For the year	Deductions/ Adjustments	As at March 31, 2022	March 31, 2021
Owned assets								
Freehold Land	3.88	-	-	3.88	-	-	-	3.88
Building	11.46	-	-	11.46	0.39	-	5.95	5.90
Plant and Machinery	86.67	0.49	3.50	83.66	4.60	3.31	49.73	38.23
Furniture & Fixtures	1.77	0.10	-	1.87	0.04	-	1.60	0.21
Vehicles	2.81	2.29	-	5.10	0.27	-	2.50	0.58
Office Equipment	0.61	0.03	-	0.64	0.02	-	0.45	0.18
Computers	1.37	0.15	-	1.52	0.04	-	1.34	0.07
Electrical Installation	2.13	0.07	-	2.20	0.04	-	1.90	0.27
Software	-	0.16	-	0.16	0.02	-	0.02	-
Total	110.70	3.29	3.50	110.49	5.42	3.31	63.49	49.32

3.1 Property, plant and equipment pledged as security

Refer to Note 16 for information on property, plant and equipment pledged as security by the Company.

Notes forming part of the Financial Statements for the year ended March 31, 2023

(Amount in crores, unless otherwise stated)

4	Other financial assets (non-current)	March 31, 2023	March 31, 2022
	Security deposits	0.80	0.79
	Deposit account with banks (Deposits with maturity for more than 12 months from balance sheet date)	0.01	0.02
	Total	0.81	0.81

5	Inventories * (At lower or cost or net realisable value)	March 31, 2023	March 31, 2022
	Raw material	6.28	5.89
	Work in progress	14.84	15.64
	Finished goods	3.41	2.50
	Store and spares parts	0.40	0.19
	Total	24.93	24.22

*Hypothecated as charge against short term-borrowings (refer note 16).

6	Trade receivables	March 31, 2023	March 31, 2022
	Secured, considered good	-	-
	Unsecured		
	-Considered good	40.60	47.63
	-Considered doubtful	-	-
	Less : Allowance for bad and doubtful debts	-	-
	Total	40.60	47.63

Trade receivables ageing schedule as at March 31, 2023

Particulars	Outstanding for following periods from due date of payment				
	Less than 6 months	6 months - 1 year	1 -2 years	2-3 years	Total
Secured, considered good	-	-	-	-	-
Unsecured					
-Considered good	38.05	1.00	1.55	-	40.60
-Considered doubtful	-	-	-	-	-
Receivables which have significant increase in Credit Risk	-	-	-	-	-
Less : Allowance for bad and doubtful debts	-	-	-	-	-
Credit impaired	-	-	-	-	-
Less : Allowance for bad and doubtful debts	-	-	-	-	-
Total	38.05	1.00	1.55	-	40.60
Further classified as:					
Receivable from related parties	-	-	-	-	-
Receivable from others	38.05	1.00	1.55	-	40.60
Total	38.05	1.00	1.55	-	40.60

Notes forming part of the Financial Statements for the year ended March 31, 2023

(Amount in crores, unless otherwise stated)

Trade receivables ageing schedule as at March 31, 2022

Particulars	Outstanding for following periods from due date of payment				
	Less than 6 months	6 months - 1 year	1 -2 years	2-3 years	Total
Secured, considered good	-	-	-	-	-
Unsecured	-	-	-	-	-
-Considered good	44.42	0.76	2.41	0.04	47.63
-Considered doubtful	-	-	-	-	-
Receivables which have significant increase in Credit Risk	-	-	-	-	-
Less : Allowance for bad and doubtful debts	-	-	-	-	-
Credit impaired	-	-	-	-	-
Less : Allowance for bad and doubtful debts	-	-	-	-	-
Total	44.42	0.76	2.41	0.04	47.63
Further classified as:					
Receivable from related parties	-	-	-	-	-
Receivable from others	44.42	0.76	2.41	0.04	47.63
Total	44.42	0.76	2.41	0.04	47.63

7	Cash and cash equivalents	March 31, 2023	March 31, 2022
	In current accounts	0.01	0.02
	Cheques on hand	-	8.05
	Cash on hand	0.03	0.02
	Total	0.04	8.09

8	Bank balances other than cash and cash equivalent	March 31, 2023	March 31, 2022
	Fixed deposit with banks (original maturity more than 3 months and upto 12 months)	0.02	0.04
	Total	0.02	0.04

9	Current Tax Assets	March 31, 2023	March 31, 2022
	Advance income tax (net of provisions ₹ 9.93 crores, March 31, 2022 : ₹ 8.07 crores)	1.04	0.35
	Total	1.04	0.35

Notes forming part of the Financial Statements for the year ended March 31, 2023

(Amount in crores, unless otherwise stated)

10	Other current assets	March 31, 2023	March 31, 2022
	Unsecured, considered good		
	<u>Balance with Government authorities:</u>		
	Rebate / Drawback of taxes and duties receivable	-	0.02
	Prepaid Expenses	0.22	0.22
	Staff advances	0.28	0.29
	Advance to suppliers	0.16	2.32
	Capital Advances	0.43	0.06
	Other receivables	4.24	2.45
	Total	5.33	5.36

11 Share Capital

Equity Share Capital	March 31, 2023	March 31, 2022
Authorized		
1,10,00,000 (March 31, 2022: 1,10,00,000) Equity shares of Rs. 10/- each	11.00	11.00
	11.00	11.00
Issued, subscribed and paid up		
1,07,23,207 (March 31, 2022: 1,07,23,207) Equity shares of Rs. 10/- each fully paid up	10.72	10.72
Total	10.72	10.72

(a) Reconciliation of equity shares outstanding at the beginning and at the end of the year

Particulars	March 31, 2023		March 31, 2022	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	1,07,23,207	10.72	1,07,23,207	10.72
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	1,07,23,207	10.72	1,07,23,207	10.72

(b) Rights, preferences and restrictions attached to shares

Equity Shares: The Company has only one class of equity shares having par value of ₹ 10 per share. Each shareholder is entitled to one vote per share held. They entitle the holders to participate in dividends and dividend, if any declared is payable in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the Shareholder	March 31, 2023		March 31, 2022	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Ajay Anand	5,176,451	48.27%	5,176,451	48.27%
Instyle Investments Private Limited	2,119,575	19.77%	2,119,575	19.77%
Foresight Holdings Private Limited	910,711	8.49%	824,261	7.69%

As per the records of the Company, including its register of shareholders / members, the above shareholding represents both legal and beneficial ownership of shares.

Notes forming part of the Financial Statements for the year ended March 31, 2023

(Amount in crores, unless otherwise stated)

(d) Details of shares held by promoters/promoter group at the end of the year

Promoter Name	March 31, 2023			March 31, 2022		
	Number of shares	% of Total Shares	% Change during the year	Number of shares	% of Total Shares	% Change during the year
Ajay Anand	5,176,451	48.27	-	5,176,451	48.27	-
Instyle Investments Private Limited	2,119,575	19.77	-	2,119,575	19.77	-
Ajay Anand (HUF)	435,000	4.06	-	435,000	4.06	-
Anand Rashmi	213,750	1.99	-	213,750	1.99	-
Sanjay Anand	71,100	0.66	-	71,100	0.66	-
Rohina Anand	7,000	0.07	-	7,000	0.07	-
Vishnu Anand	5,625	0.05	-	5,625	0.05	-
Anadry Investments Private Limited	5,700	0.05	-	5,700	0.05	-

(e) No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current year end.

(f) No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.

12 Other equity

Particulars	March 31, 2023	March 31, 2022
General reserve	27.74	27.74
Retained earnings	15.37	11.15
Total	43.11	38.89

Nature and purpose of reserves

A General reserve

Particulars	March 31, 2023	March 31, 2022
Opening balance	27.74	27.74
Add/(Less): Transferred to reserves	-	-
Closing balance	27.74	27.74

The Company created a general reserve in earlier years pursuant to the provisions of the Companies Act, 1956 wherein certain percentage of profits were required to be transferred to general reserve before declaring dividends. As per the Companies Act 2013, the requirement to transfer profits to general reserve is not mandatory. General reserve is a free reserve available to the entity.

B Retained earnings

Particulars	March 31, 2023	March 31, 2022
Opening balance	11.15	(1.81)
Add/(Less): Transferred to reserves	4.21	12.96
Closing balance	15.37	11.15

This reserve represents undistributed accumulated earnings of the entity as on the balance sheet date.

Notes forming part of the Financial Statements for the year ended March 31, 2023

(Amount in crores, unless otherwise stated)

13	Non-current borrowings	March 31, 2023	March 31, 2022
	<u>Secured</u>		
	Term Loans (secured) (carried at amortised cost) (refer footnote (i))	3.58	4.45
	Other Loans (Against hypothecation of vehicles) (refer footnote (ii))	1.11	1.11
	<u>Unsecured</u>		
	Loan from related parties	13.17	13.17
	Total	17.86	18.73

Note: The term loans from Yes Bank are secured by way of hypothecation on current assets, book debts and plant & machinery both present and future and collaterally secured by way of Exclusive Equitable Mortgage on Land located at Survey no. 445/446/447 & 448, Waghdhara Village Road, Dadra-396193, Union Territory of Dadra and Nagar Haveli.

(i) Details of Term Loans from YES Bank

Term Loans	Maturity	Installments			Rate of Interest
		Periodicity	Numbers	₹ (in crores)	
Term Loan Account No.- 40212120001	Jul-26	Monthly	40	0.04	9.00 - 10.50%
Term Loan Account No. -40212450001	Jan-26	Monthly	35	0.02	9.00 - 10.50%

(ii) Details of Other Loans

Term Loans	Maturity	Installments			Rate of Interest
		Periodicity	Numbers	₹ (in crores)	
BMW Financial Services - CN00197280	Sep-25	Monthly	30	0.0034	9.00%
BMW Financial Services - CN00196880	Sep-24	Monthly	18	0.0052	9.00%

14 Provisions	Non-current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Provision for employee benefits (Refer note 30)				
Provision for gratuity	1.06	0.81	0.24	0.19
Total	1.06	0.81	0.24	0.19

Movement in Provision	Non-current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Opening	0.81	0.81	0.19	0.14
Charged/ (Credited) to statement of profit and loss				
Additional provision recognised	0.25	0.11	0.11	0.05
Amounts used during the year	-	(0.11)	(0.06)	
Closing	1.06	0.81	0.24	0.19

Notes forming part of the Financial Statements for the year ended March 31, 2023

(Amount in crores, unless otherwise stated)

15	Other non-current liabilities	March 31, 2023	March 31, 2022
	Other payables	1.20	1.20
	Total	1.20	1.20
16	Short -term borrowings	March 31, 2023	March 31, 2022
	Secured, from bank (carried at amortised cost)		
	-Cash Credit (refer footnote (i))	13.84	26.84
	Unsecured		
	Loan from companies	20.00	20.00
	Total	33.84	46.84

(i) Terms and conditions of loans

Cash Credit from Yes Bank is secured by way of hypothecation on current assets, book debts and plant & machinery both present and future and collaterally secured by way of Exclusive Equitable Mortgage on Land located at Survey no. 445/446/447 & 448, Waghdhara Vilage Road, Dadra-396193, Union Territory of Dadra and Nagar Haveli. The sanctioned limit by the Bank is ₹ 30 Crore.

Name of the Bank	Rate of Interest	
	2023	2022
Yes Bank Limited	8.70% - 11.50%	7.35%

(ii) Assets Pledged as Security

The carrying amounts of assets pledged as security for current borrowings are:

Particulars	March 31, 2023	March 31, 2022
Current assets		
Inventories	24.93	24.22
Trade receivables	40.60	47.63
Export incentive receivable	-	0.02
Total Current assets pledged as security	65.53	71.88
Non-Current assets		
Property, plant and equipment	46.06	47.00
Total Non-Current assets pledged as security	46.06	47.00
Total Assets pledged as security	111.59	118.88

Borrowings from Yes Bank Limited are secured by way of hypothecation of raw materials, work-in-progress, finished goods, spares & stores and goods meant for exports and book debts as prime security and collaterally secured by extension of the charge on the Property, plant and equipment of the Company.

17	Trade payables	March 31, 2023	March 31, 2022
	Total outstanding dues of micro enterprises and small enterprises (refer note 37)	0.16	0.16
	Total outstanding dues of creditors other than micro enterprises and small enterprises	5.95	9.51
	Total	6.11	9.67

Notes forming part of the Financial Statements for the year ended March 31, 2023

(Amount in crores, unless otherwise stated)

Trade Payables ageing schedule as at March 31, 2023

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 -2 years	2-3 years	More than 3 years	Total
(I) MSME - undisputed	0.16	-	-	-	0.16
(ii) Disputed dues - MSME	-	-	-	-	-
(ii) Others	5.95	0.00	-	-	5.95
(iv) Disputed dues - Others	-	-	-	-	-
Total	6.11	0.00	-	0.00	6.11

Trade Payables ageing schedule as at March 31, 2022

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 -2 years	2-3 years	More than 3 years	Total
(i) MSME - undisputed	0.16	-	-	-	0.16
(ii) Disputed dues - MSME	-	-	-	-	-
(ii) Others	9.51	-	-	-	9.51
(iv) Disputed dues - Others	-	-	-	-	-
Total	9.67	-	-	-	9.67

18	Other financial liabilities	March 31, 2023	March 31, 2022
	Current maturities of term loan	0.74	3.42
	Current maturities of other loan	0.00	0.00
	Interest accrued and due on loan	0.25	0.29
	Total	0.99	3.71

19	Other current liabilities	March 31, 2023	March 31, 2022
	Salary & reimbursement payable	0.92	0.32
	Advance from customer	-	0.01
	Expenses payable	1.07	0.72
	Statutory due payable	0.14	0.20
	GST Payable	0.03	1.36
	Total	2.16	2.61

20	Revenue from operations	March 31, 2023	March 31, 2022
	Revenue from contracts with customers		
	Sale of manufactured products		
	- Domestic Sales	167.44	194.45
	- Export Sales	0.75	1.51
	Other operating revenues		
	- Rebate / Drawback of Taxes and Duties	0.02	0.06
	- Other Operating Revenues	0.26	0.01
	Total	168.47	196.03

Notes forming part of the Financial Statements for the year ended March 31, 2023

(Amount in crores, unless otherwise stated)

21	Other income	March 31, 2023	March 31, 2022
	Interest income	0.02	0.01
	Miscellaneous income	0.35	0.32
	Gain on foreign exchange (net)	0.31	0.19
	Gain on sale/disposal of fixed assets	0.00	0.00
	Total other income	0.68	0.52
22	Cost of material consumed	March 31, 2023	March 31, 2022
	Inventory at the beginning of the year	5.89	4.97
	Add: Purchases during the year	90.60	103.65
	Less: Inventory at the end of the year	6.28	5.89
	Cost of raw material consumed	90.21	102.73
23	Changes in inventories of finished goods and work-in-progress	March 31, 2023	March 31, 2022
	Inventories at the beginning of the year		
	-Finished goods	2.50	4.19
	-Work-in-progress	15.64	10.08
		18.14	14.27
	Less: Inventories at the end of the year		
	-Finished goods	3.41	2.50
	-Work-in-progress	14.84	15.64
		18.25	18.14
	Net (Increase) / Decrease	(0.11)	(3.87)
24	Employee benefits expense	March 31, 2023	March 31, 2022
	Salaries, wages, bonus and other allowances	11.10	9.93
	Contribution to provident Fund & other funds	0.47	0.39
	Gratuity expenses (Refer note 30)	0.17	0.17
	Staff welfare expenses	0.65	0.24
	Total	12.39	10.73
25	Finance costs	March 31, 2023	March 31, 2022
	Interest on borrowing	3.39	4.18
	Total	3.39	4.18
26	Depreciation and amortization expense	March 31, 2023	March 31, 2022
	Depreciation	5.26	5.42
	Total	5.26	5.42

Notes forming part of the Financial Statements for the year ended March 31, 2023

(Amount in crores, unless otherwise stated)

27 Other expenses	March 31, 2023	March 31, 2022
Stentering, weaving & other processing charges	28.84	40.00
Power & fuel	2.58	2.09
Packing material expenses	2.40	1.91
Repairs & maintenance:		
Plant & machinery	0.44	0.32
Building	0.50	0.83
Other	0.34	0.19
Other manufacturing expenses	6.12	5.26
Stores and spares consumed	2.32	2.48
Rent, rates & taxes	0.03	0.24
Travel and conveyance	0.48	0.24
Audit fees (refer note (i) below)	0.05	0.03
Legal and professional charges	0.72	0.30
Insurance charges	0.26	0.23
Loss on foreign exchange fluctuation	0.18	-
Miscellaneous expenses	1.70	2.37
Technical knowhow/royalty fees	-	0.01
Transportation charges	3.56	2.01
Rebates, discounts & customer claims	0.52	3.76
Total	51.04	62.27

(i) Note : The following is the break-up of Audit fees (exclusive of taxes)

As auditor:	March 31, 2023	March 31, 2022
Statutory audit	0.03	0.03
Limited Review	0.02	
In other capacity:		
Reimbursement of expenses	0.00	0.00
Total	0.05	0.03

28 Income Tax

(A) Income Tax recognised in profit or loss	March 31, 2023	March 31, 2022
Current tax		
In respect of current year	2.37	2.33
Mat credit entitlement	-	-
Mat utilisation	-	(0.19)
	2.37	2.14
Deferred tax liabilities		
In respect of current year origination and reversal of temporary differences	0.20	-
	0.20	-
Total Income Tax recognised in profit or loss	2.57	2.14

Notes forming part of the Financial Statements for the year ended March 31, 2023

(Amount in crores, unless otherwise stated)

(B) Deferred tax assets/ (liabilities) (net):				
Particulars	Balance as at April 01, 2022	Charge / (Credit) to Profit or Loss	Utilisation of MAT Credit	Balance as at March 31, 2023
<u>Deferred tax assets</u>				
Provision for employee benefits	0.36	0.10	-	0.46
Unabsorbed depreciation and business losses carried forward	1.43	(1.43)	-	-
Minimum alternate tax carried forward	5.75	-	1.21	4.54
<u>Deferred tax liabilities</u>				
Fiscal allowances on property, plant and equipment	(7.67)	1.13	-	(6.54)
Total deferred tax assets / (liabilities) (net)	(0.13)	(0.20)	1.21	(1.54)

Particulars	Balance as at April 01, 2021	Charge / (Credit) to Profit or Loss	MAT Credit entitlement	Balance as at March 31, 2022
<u>Deferred tax assets</u>				
Provision for employee benefits	0.36	-	-	0.36
Unabsorbed depreciation and business losses carried forward	1.43	-	-	1.43
Minimum alternate tax carried forward	5.56	-	(0.19)	5.75
<u>Deferred tax liabilities</u>				
Fiscal allowances on property, plant and equipment	(7.67)	-	-	(7.67)
Total deferred tax assets / (liabilities) (net)	(0.32)	-	(0.19)	(0.13)

(C) The Company has utilized MAT credit of ₹ 1.21 crores in the current financial year.

(D) Reconciliation of tax charge	March 31, 2023	March 31, 2022
Profit before tax	6.97	15.09
Statutory Tax Rate	33.94%	16.69%
Income tax expense at tax rates applicable	2.37	2.52
Tax effects of:		
- B/f losses and unabsorbed depreciation not recognised as DTA in earlier years	0.49	-
- MAT credit available to the Company not recognised as asset in earlier years	(1.21)	-
- Other items	0.93	(0.38)
Income tax expense	2.57	2.14

29 Earnings per share

Basic earnings per share amounts are calculated by dividing the profit for the year attributable to equity holders by the number of equity shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the profit/loss attributable to equity holders by the number of equity shares outstanding during the year plus the number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

Notes forming part of the Financial Statements for the year ended March 31, 2023

(Amount in crores, unless otherwise stated)

The following reflects the income and share data used in the basic and diluted EPS computations:

	March 31, 2023	March 31, 2022
Profit attributable to equity holders	4.40	12.95
Weighted average number of shares outstanding during the year	10,723,207	10,723,207
Basic earnings per share (₹) (Equity share of ₹ 10 each)	4.11	12.08
Diluted earnings per share (₹) (Equity share of ₹ 10 each)	4.11	12.08

30 Employee benefits

(A) Defined Contribution Plans	March 31, 2023	March 31, 2022
During the year, the Company has recognized the following amounts in the Statement of Profit and Loss		
Employers' Contribution to Provident Fund (Refer note 24)	0.47	0.39

(B) Defined benefit plans

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. The amount of gratuity shall be payable to an employee on the termination of employment after rendering continuous service for not less than five years, or on their superannuation or resignation. However, in case of death of an employee, the minimum period of five years shall not be required. The amount of gratuity payable on retirement / termination is the employee's last drawn basic salary per month computed proportionately for 15 days salary multiplied by the number of years of service completed. The gratuity plan is a funded plan administered by a separate fund that is legally separated from the entity. The Company does not fully fund the liability and maintains the funding from time to time based on estimations of expected gratuity payments.

These plans typically expose the Company to the following actuarial risks:

Investment risk - The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Interest risk - A fall in the discount rate, which is linked, to the G-Sec rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary risk - The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Asset Liability matching risk - The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk - Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration risk - Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at March 31, 2023 by M/S K. A. Pandit Consultants & Actuaries. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

	March 31, 2023	March 31, 2022
a) Gratuity payable to employees		
i) Actuarial assumptions		
Discount rate (per annum)	7.31%	6.09%
Rate of increase in Salary	5.00%	5.00%
Expected average remaining working lives of employees (years)	4	4
Attrition rate		
For service 2 years and below	40%	40%
For service 3 years to 4 years	25%	25%
For service 5 years and above	15%	15%

Notes forming part of the Financial Statements for the year ended March 31, 2023

(Amount in crores, unless otherwise stated)

ii) Changes in the present value of defined benefit obligation		Employee's gratuity fund	
		March 31, 2023	March 31, 2022
Present value of obligation at the beginning of the year		0.99	0.95
Interest cost		0.06	0.05
Current service cost		0.11	0.11
Benefits paid		(0.06)	(0.11)
Actuarial (gain)/ loss on obligations		0.19	(0.01)
Present value of obligation at the end of the year*		1.30	0.99
*Included in provision for employee benefits (Refer note 14)			
iii) Expense recognized in the Statement of Profit and Loss		Employee's gratuity fund	
		March 31, 2023	March 31, 2022
Current service cost		0.11	0.11
Interest cost		0.06	0.05
Actuarial (gain) / loss on obligations transferred to OCI		-	-
Total expenses recognized in the Statement Profit and Loss*		0.17	0.17
*Included in Employee benefits expense (Refer Note 24).			
iv) Assets and liabilities recognized in the Balance Sheet:		Employee's gratuity fund	
		March 31, 2023	March 31, 2022
Present value of unfunded obligation as at the end of the year		1.30	0.99
Unfunded net asset / (liability) recognized in Balance Sheet*		1.30	0.99
*Included in provision for employee benefits (Refer note 14)			
v) Expected contribution to the fund in the next year		March 31, 2023	March 31, 2022
Gratuity		0.23	0.17
vi) A quantitative sensitivity analysis for significant assumption as at March 31, 2023 is as shown below:		Employee's gratuity fund	
Impact on defined benefit obligation		March 31, 2023	March 31, 2022
Discount rate			
1% increase		(0.05)	(0.04)
1% decrease		0.06	0.05
Rate of increase in salary			
1% increase		0.06	0.05
1% decrease		(0.05)	(0.04)
Rate of employee turnover			
1% increase		0.01	0.00
1% decrease		0.01	0.00
vii) Maturity profile of defined benefit obligation		Employee's gratuity fund	
Year		March 31, 2023	March 31, 2022
1st Following Year		0.24	0.19
2nd Following Year		0.18	0.13
3rd Following Year		0.17	0.13
4th Following Year		0.16	0.11
5th Following Year		0.14	0.10
Sum of Years 6 to 10		0.53	0.38
Sum of Years 11 and above		0.50	0.36

Notes forming part of the Financial Statements for the year ended March 31, 2023

(Amount in crores, unless otherwise stated)

31 Related Party Disclosures:

(A) Names of related parties and description of relationship as identified and certified by the Company:

Related party where control exists

Name of related party	Relationship
Faze Three Limited	Entity in which director has common control
Instyle Investment Private Limited	Entity in which director has common control
V. R. Woodart Limited	Entity in which director has common control
Next Interiors Private Limited	Entity in which director has common control
Anadry Investmenst Private Limited	Wholly Owned Subsidiary of Instyle Investments Private Limited
Mamata Finvest Private Limited	Wholly Owned Subsidiary of Instyle Investments Private Limited
Mats and More Private Limited	Wholly Owned Subsidiary of Faze Three Limited

Others

Name of related party	Relationship
Rashmi Anand	Promoter Group & Director
Sanjay Anand	Promoter Group
Rohina Anand Khira	Promoter Group
Vishnu Anand	Promoter Group

Key Management Personnel (KMP)

In accordance with Ind AS 24 - Related Party Disclosures and the Companies Act, 2013, following personnels are considered as KMP.

Name of related party	Relationship
Mr. Ajay Anand	Promoter & Managing Director
Mr. V. Sivakumar	Whole-time Director & CFO
Mr. Roshan Gupta (upto 02.02.2023)	Company Secretary
Mr. Akram Sati (appointed w.e.f 03.02.2023)	Company Secretary

(B) **Details of transactions with related party in the ordinary course of business for the year ended:**

	March 31, 2023	March 31, 2022
(i) Faze Three Limited		
Purchase of Goods & Services	26.59	24.41
Sale of Goods & Services	3.44	0.34
Lease Rent Expenses	-	0.20
(ii) Next Interiors Private Limited		
Purchase of Services	0.12	-
(iii) Key Management Personnel (KMP)		
Compensation of key management personnel (employee benefit)	0.88	0.86
(C) Amount due to related party as on:	March 31, 2023	March 31, 2022
Key Management Personnel (KMP)		
Loan from Directors	13.17	13.17
Entity in which director has common control		
Faze Three Limited	0.03	-
Amount due from related party		
Entity in which director has common control		
Faze Three Limited	-	1.91

Notes forming part of the Financial Statements for the year ended March 31, 2023

(Amount in crores, unless otherwise stated)

(D) Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2023, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

32 Segment reporting

The Company has only one segment of activity namely "Automotive Fabrics" and as such there is no separate reportable segment as per Ind AS 108 Operating Segments.

33 Fair values measurement

The fair value of other current financial assets, cash and cash equivalents, trade receivables, investments trade payables, short-term borrowings and other financial liabilities approximate the carrying amounts because of the short term nature of these financial instruments.

Fair value hierarchy

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

No financial assets/liabilities have been valued using level 1 fair value measurements.

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

Fair value measurement hierarchy of assets

	March 31, 2023	March 31, 2022
Level 3:		
<u>Financial assets measured at amortized cost</u>		
Trade receivables (Refer note 6)	40.60	47.63
Security deposits (Refer note 4)	0.80	0.79
Other current assets	5.33	5.36
The carrying amount of assets measured at amortised rate mentioned above is considered to approximate their fair values. They are classified as level 3 fair values in the fair value heirarchy due to the inclusion of unobservable inputs.		
<u>Financial liability measured at amortized cost</u>		
Borrowings	32.44	48.99
Trade payables	6.11	9.67
Interest accrued but not due on loan	0.25	0.29
Other current liabilities	2.16	2.61
The carrying amount of liabilities measured at amortised rate mentioned above is considered to approximate their fair values. They are classified as level 3 fair values in the fair value heirarchy due to the inclusion of unobservable inputs.		

Notes forming part of the Financial Statements for the year ended March 31, 2023

(Amount in crores, unless otherwise stated)

34 Financial risk management objectives and policies

The Company is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings and derivative financial instruments.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

	March 31, 2023	March 31, 2022
Variable rate borrowings	19.27	35.82

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase/ decrease in basis points	Effect on profit before tax (₹ in Crores)
2022-2023	25 bps	0.05
2021-2022	25 bps	0.09

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company operating activities.

The Company is exposed to foreign currency risk arising mainly on export of finished goods and import of raw material.

The carrying amounts of Company's foreign currency denominated financial assests and financial liabilities at the end of the reporting period are as follows:

Exposure to Currency risk	March 31, 2023	March 31, 2022
Trade receivables (unhedged) (INR)	0.07	2.58
Trade receivables (unhedged) (USD)	0.00	0.03
The following significant rate have been applied during the year	Year End Spot Rate	
	March 31, 2023	March 31, 2022
USD 1	82.22	75.81

Notes forming part of the Financial Statements for the year ended March 31, 2023

(Amount in crores, unless otherwise stated)

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in the US dollar exchange rate (or any other material currency), with all other variables held constant, of the Company's profit before tax (due to changes in the fair value of monetary assets and liabilities). The Company's exposure to foreign currency changes for all other currencies is not material.

	Change in US \$ rate	Effect on profit before tax
2023 (USD/INR)	1.00%	0.00
2022 (USD/INR)	1.00%	0.03

(B) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Company's receivables from deposits with landlords and other statutory deposits with regulatory agencies and also arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

	Less than 12 months	More than 12 months	Total
March 31, 2023			
Trade receivables	39.05	1.55	40.60
Security deposits	0.01	0.79	0.80
Deposit account with banks (remaining maturity of more than 12 months)	-	0.01	0.01
March 31, 2022			
Trade receivables	47.59	0.04	47.63
Security deposits	-	0.79	0.79
Deposit account with banks (remaining maturity of more than 12 months)	-	0.02	0.02

The Company limits its exposure to credit risk of cash held with banks by dealing with highly rated banks and institutions and retaining sufficient balances in bank accounts required to meet a month's operational costs. The Management reviews the bank accounts on regular basis and fund drawdowns are planned to ensure that there is minimal surplus cash in bank accounts. The Company does not foresee any credit risks on deposits with regulatory authorities.

(C) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The table below summarizes the maturity profile of the Company's financial liabilities:

	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
March 31, 2023					
Short term borrowings	33.84	-	-	-	33.84
Long-term borrowings	-	-	4.69	13.17	17.86
Trade payables	6.11	-	-	-	6.11
Other financial liabilities	0.44	0.55	-	-	0.99
Total	40.39	0.55	4.69	13.17	58.80

Notes forming part of the Financial Statements for the year ended March 31, 2023

(Amount in crores, unless otherwise stated)

March 31, 2022					
Short term borrowings	46.84	-	-	-	46.84
Long-term borrowings	-	-	5.56	13.17	18.73
Trade payables	9.67	-	-	-	9.67
Other financial liabilities	1.63	2.08	-	-	3.71
Total	58.14	2.08	5.56	13.17	78.95

35 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value and to ensure the Company's ability to continue as a going concern.

The Company has not distributed any dividend to its shareholders. The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

Particulars		March 31, 2023	March 31, 2022
Total equity	(i)	53.83	49.61
Total debt	(ii)	52.44	68.99
Overall financing	(iii) = (i) + (ii)	106.27	118.60
Gearing ratio	(ii)/ (iii)	0.49	0.58

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2023 and March 31, 2022.

36 Contingent Liability and commitments

Contingent liabilities (to the extent not provided for)	March 31, 2023	March 31, 2022
Guarantees and other liabilities	-	0.22
Total	-	0.22

37 Disclosure under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)

The outstanding dues to small and medium enterprises as defined under MSMED Act, 2006 are as under:

Information as per the requirement of Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006:

Paticulars	March 31, 2023	March 31, 2022
(a) (i) The principal amount remaining unpaid to any supplier at the end of accounting year included in trade payables	0.16	0.16
(ii) Interest due on above	-	-
The total of (i) and (ii)	0.16	0.16
(b) (i) The amount of interest paid by the buyer in terms of Section 16 of the Act.	-	-
(c) (i) The amount of payment made to the supplier beyond the appointed day during the accounting year.	-	-
(d) (i) The amount of interest accrued and remaining unpaid at the end of financial year.	-	-
(e) (i) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under this Act.	-	-

Notes forming part of the Financial Statements for the year ended March 31, 2023

(Amount in crores, unless otherwise stated)

38 Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

39 Registration of charges or satisfaction with Registrar of Companies

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

40 Relationship with Struck off Companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956,

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

41 Utilisation of Borrowed funds

(i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

42 Undisclosed income

The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (previous year) in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

43 Details of Benami Property held

There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

44 Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

45 Wilful Defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

46 The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on 28 September 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on 13 November 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued.

The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Notes forming part of the Financial Statements for the year ended March 31, 2023

(Amount in crores, unless otherwise stated)

47 Ratios

S No.	Ratio	Unit	Formula	Particulars		March 31, 2023		March 31, 2022		Ratio as on March 31, 2023	Ratio as on March 31, 2022	Variation	Reason (if variation is more than 25%)
				Numerator	Denominator	Numerator	Denominator	Numerator	Denominator				
(a)	Current Ratio	No. of times	Current Assets / Current Liabilities	Current Assets= Inventories + Current Investment + Trade Receivable + Cash & Cash Equivalents + Other Current Assets + Contract Assets + Assets held for Sale	Current Liability= Short term borrowings + Trade Payables + Other financial Liability+ Current tax (Liabilities) + Contract Liabilities + Provisions + Other Current Liability	71.96	43.34	85.69	63.02	1.66	1.36	22%	NA
(b)	Debt-Equity Ratio	No. of times	Debt / Equity	Debt= long term borrowing and current maturities of long-term borrowings and redeemable preference shares treated as financial liability	Equity= Equity + Reserve and Surplus	52.45	53.83	68.98	49.61	0.97	1.39	-30%	Growth in revenue was funded through incremental working capital leading to increase in ratio.
(c)	Debt Service Coverage Ratio	No. of times	Net Operating Income / Debt Service	Net Operating Income= Net profit after tax less pref. Dividend x 100	Debt Service = Interest & Lease Payments + Principal Repayments- Fixed deposit with banks (original maturity more than 3 months and upto 12 months)	13.05	4.38	22.55	7.89	2.98	2.86	4%	NA
(d)	Return on Equity Ratio	%	Profit after tax less pref. Dividend / Shareholder's Equity	Net Income= Net Profits after taxes - Preference Dividend	Shareholder's Equity	4.40	53.83	12.95	49.61	8%	26%	-69%	Significant increase in raw material cost along with other variables leading to decrease in ratio.
(e)	Inventory Turnover Ratio	No. of times	Cost of Goods Sold / Average Inventory	Cost of Goods Sold	(Opening Inventory + Closing Inventory)/2	158.10	24.56	175.69	21.93	6.43	8.01	-20%	NA
(f)	Trade Receivables Turnover Ratio	No. of times	Net Credit Sales / Average Trade Receivables	Net Credit Sales	(Opening Trade Receivables + Closing Trade Receivable)/2	168.47	44.12	196.03	47.82	3.82	4.10	-7%	NA
(g)	Trade Payables Turnover Ratio	No. of times	Net Credit Purchases / Average Trade Payables	Net Credit Purchases	(Opening Trade Payables + Closing Trade Payables)/2	90.60	7.89	103.65	12.66	11.49	8.18	40%	Better Sourcing terms and optimizing purchases on Just-in-Time (JIT) basis.
(h)	Net Capital Turnover Ratio	No. of times	Revenue / Average Working Capital	Revenue	Average Working Capital= Average of Current assets - Current liabilities	168.47	28.61	196.03	22.67	5.89	8.65	-32%	Improvement in customer realization and efficient inventory management has led to decrease in ratio.
(i)	Net Profit Ratio	%	Net Profit / Net Sales	Net Profit	Net Sales	4.40	168.47	12.95	196.03	3%	7%	-60%	Significant increase in raw material cost along with other variables leading to decrease in ratio.
(j)	Return on Capital Employed	%	EBIT / Capital Employed	EBIT= Earnings before interest and taxes	Capital Employed= Total Assets - Current Liability	10.36	75.48	19.27	70.48	14%	27%	-50%	Significant increase in raw material cost along with other variables leading to decrease in ratio.
(k)	Return on Investment	%	Net Profit / Net Investment	Net Profit	Net Investment= Net Equity	4.40	53.83	12.95	49.61	8%	26%	-69%	Significant increase in raw material cost along with other variables leading to decrease in ratio.

Notes forming part of the Financial Statements for the year ended March 31, 2023

(Amount in crores, unless otherwise stated)

48 Reconciliation of quarterly returns or statements of current assets filed with banks or financial institutions

March 31, 2023

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/statement	Amount of difference	Reason for material discrepancies
June, 2022	Yes Bank	Raw materials, work-in-progress, finished goods, spares & stores, goods meant for exports, Trade Receivables, GST Input, GST Rebate, Export Incentive and Trade Payables	33.38	33.38	-	
September, 2022			36.87	36.87	-	
December, 2022			40.00	40.00	-	
March, 2023			41.32	41.32	-	

March 31, 2022

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/statement	Amount of difference	Reason for material discrepancies
June, 2021	Saraswat Bank Yes Bank	Raw materials, work-in-progress, finished goods, spares & stores, goods meant for exports, Trade Receivables, GST Input, GST Rebate, Export Incentive and Trade Payables	33.99	33.99	-	
September, 2021	Yes Bank		39.66	39.66	-	
December, 2021			44.22	44.22	-	
March, 2022			42.79	42.79	-	

49 Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are promotion of education and sports. A CSR committee has been formed by the company as per the Act. The funds are utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

Notes forming part of the Financial Statements for the year ended March 31, 2023

(Amount in crores, unless otherwise stated)

A. Particulars	March 31, 2023	March 31, 2022
Gross Amount required to be spent as per Section 135 of the Act	0.27	0.06
Add: Amount Unspent from previous years	-	-
Total Gross amount required to be spent during the year	0.27	0.06
Amount approved by the Board to be spent during the year	-	0.35

B. Amount spent during the year on	March 31, 2023	March 31, 2022
(I) Construction/acquisition of an asset	-	-
(ii) On purposes other than (i) above - Towards CSR Contribution	-	0.35

C. Details related to amount spent/unspent

Particulars	March 31, 2023	March 31, 2022
Contribution to following Trust		
1. Shri Jagatbharti Education and Cheritable Trust	-	0.13
2. Sports & Adventure Association of Narmada	-	0.22
Accrual towards unspent obligations in relation to:		
Ongoing projects	-	-
Other than Ongoing projects	-	-
TOTAL	-	0.35

D. Details of CSR expenditure in respect of other than ongoing projects

Nature of Activity	Balance unspent as at April 01, 2022	Amount deposited in Specified Fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance unspent as at March 31, 2023
Contribution for Schedule VII activities through Donation to Charitable Trusts (Promoting Education & Sports)	-	-	0.27	-	-

Notes forming part of the Financial Statements for the year ended March 31, 2023

(Amount in crores, unless otherwise stated)

Nature of Activity	Balance unspent as at April 01, 2021	Amount deposited in Specified Fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance unspent as at March 31, 2022
Contribution for Schedule VII activities through Donation to Charitable Trusts (Promoting Education & Sports)	-	-	0.06	0.35	-

E. Details of excess CSR expenditure

Nature of Activity	Balance excess as at April 01, 2022	Amount required to be spent during the year	Amount spent during the year	Balance excess as at March 31 2023
Contribution for Schedule VII activities through Donation to Charitable Trusts (Promoting Education & Sports)	(0.29)	0.27	-	(0.02)

F. Contribution to Related Parties/ CSR Expenditure incurred with Related Parties - Not Applicable

G. Disclosures on Shortfall

Particulars	March 31, 2023	March 31, 2022
Amount Required to be spent by the Company during the year	0.27	0.06
Actual Amount Spent by the Company during the year	-	0.35
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
Reason for shortfall - State reasons for shortfall in expenditure	NA	NA

50 Events after the reporting period

There are no significant subsequent events between the year ended March 31, 2023 and signing of financial statements as on May 03, 2023 which have material impact on the financials of the Company.

51 Approval of financial statements

The financial statements were approved for issue by the board of directors on May 03, 2023.

52 Previous year figures have been regrouped/ reclassified to confirm presentation as per Ind AS as required by Schedule III of the Act.

See accompanying notes to the financial statements 1-52

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **THAKUR VAIDYANATH AIYAR & CO.**

Chartered Accountants

ICAI Firm Registration No.:000038N

For and on behalf of Board of Directors of

FAZE THREE AUTOFAB LIMITED

CIN: L17120DN1997PLC000196

C V Parameswar

Partner

Membership No: 11541

AJAY ANAND

Managing Director

DIN: 00373248

RASHMI ANAND

Director

DIN: 00366258

Place : Mumbai

Date : May 03, 2023

V. SIVAKUMAR

Whole-time Director & CFO

DIN: 09211111

AKRAM SATI

Company Secretary

M No: 50020