

NOTICE
39TH ANNUAL GENERAL MEETING OF
FAZE THREE LIMITED

Notice is hereby given that the **THIRTY NINTH ANNUAL GENERAL MEETING** of the Members of **FAZE THREE LIMITED** will be held on Friday, September 27, 2024 at 05.00 p.m. through video conferencing or other audio - visual means to transact the following businesses:

ORDINARY BUSINESS:

1. Receive, consider and adopt the:

- a. Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2024 together with the reports of Board of Directors and Auditors thereon.
- b. Audited Consolidated Financial Statements for the Financial Year ended March 31, 2024 together with the report of Auditors thereon.

2. Appointment of Director in place of Mr. Ajay Anand (DIN: 00373248), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. Re-appointment of Mr. Ajay Anand (DIN: 00373248) as the Managing Director of the Company.

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, 203 and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) read with Schedule V 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 the time being in force) and Articles of Association of the Company, approval of the members of the Company be and is hereby accorded for the re-appointment of Mr. Ajay Anand (DIN: 00373248), aged 69 years, in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director of the Company, as the Managing Director of the Company, liable to retire by rotation, for a period of 5 (five) years with effect from April 1, 2025 to March 31, 2030 on such terms and conditions and such remuneration, as set out in the Explanatory Statement annexed to this Notice.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to vary, alter, increase, enhance or widen the scope of remuneration, perquisites and other allowances and benefits provided that it shall not exceed the limits laid down in Section 197 read with Schedule V of the Act, including any statutory modifications or re-enactment thereof.

RESOLVED FURTHER THAT notwithstanding anything contained herein, where in any financial year during the tenure of the appointee, the Company has no profits or its profits are inadequate, the Company may pay to the appointee the remuneration as the minimum remuneration for a period of 3 (three) years from the date of appointment or such other period as may be statutorily permitted by way of salary, perquisites, performance pay, other allowances and benefits as specified in explanatory statement, subject to receipt of the requisite approvals, if any.

RESOLVED FURTHER THAT the Board of Directors or a duly constituted Committee thereof and/or the Company Secretary, be and are hereby 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.”

4. Re-appointment of Mr. Sanjay Anand (DIN: 01367853) as the Whole-time Director of the Company.

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 and 203 and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) read with Schedule V 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 the time being in force) and Articles of Association of the Company, approval of the members of the Company be and is hereby accorded for the re-appointment of Mr. Sanjay Anand (DIN: 01367853), in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director of the Company, as the Whole-time Director of the Company, liable to retire by rotation, for a period of 5 (Five) years with effect from April 1, 2025 to March 31, 2030 on such terms and conditions and such remuneration, as set out in the Explanatory Statement annexed to this Notice.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to vary, alter, increase, enhance or widen the scope of remuneration, perquisites and other allowances and benefits provided that it shall not exceed the limits laid down in Section 197 read with Schedule V of the Act, including any statutory modifications or re-enactment thereof.

RESOLVED FURTHER THAT notwithstanding anything contained herein, where in any financial year during the tenure of the appointee, the Company has no profits or its profits are inadequate, the Company may pay to the appointee the remuneration as the minimum remuneration for a period of 3 (three) years from the date of appointment or such other period as may be statutorily permitted by way of salary, perquisites, performance pay, other allowances and benefits as specified in explanatory statement, subject to receipt of the requisite approvals, if any.

RESOLVED FURTHER THAT the Board of Directors or a duly constituted Committee thereof and/or the Company Secretary, be and are hereby 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.”

5. Enhancement of limits of Material Related Party Transactions for Financial Year 2024-25

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

“RESOLVED THAT pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other relevant regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (‘Listing Regulations’), as amended from time to time, and the provisions of Section 188 of the Companies Act, 2013 (‘Act’) and other applicable provisions, if any, read with the rules made thereunder [including any statutory modification(s) or re-enactment(s) thereof for time being in force] and the Company’s Policy on ‘Materiality of Related Party Transactions and on dealing with Related Party Transactions’, and based on the recommendation of the Audit Committee and the Board of Directors of the Company and in supersession of the earlier resolution passed by the members at their 38th Annual General Meeting of the Company, consent of the Members be and is hereby accorded to the Company 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 Autofab Limited (‘FTAL’), a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, for an enhanced aggregate limit/value not exceeding Rs. 92.5 Crores (Rupees Ninety- Two Crores and Fifty Lakhs Only) from previous limit of Rs. 87.5 Crores (Rupees Eighty- Seven Crores and Fifty Lakhs Only) for 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 of Directors of the Company (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), be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary documents, contract(s), scheme(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company, to delegate all or any of its powers conferred under this resolution to any Director or Key Managerial Personnel or any officer / executive of the Company and to resolve all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred to, without being required to seek further consent or approval of the Members and that the Members shall deemed to have approved, ratified and confirmed in all respects thereto expressly by the authority of this resolution."

6. Approval of Material Related Party Transactions for a period of 5 years from FY 2025-26 to FY 2029-30

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

"RESOLVED THAT pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other relevant regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('Listing Regulations'), as amended from time to time, and the provisions of Section 188 of the Companies Act, 2013 ('Act') and other applicable provisions, if any, read with the rules made thereunder [including any statutory modification(s) or re-enactment(s) thereof for time being in force] and the Company's Policy on 'Materiality of Related Party Transactions and on dealing with Related Party Transactions', and based on the recommendation of the Audit Committee and the Board of Directors of the Company, consent of the Members be and is hereby accorded to the Company 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 Autofab Limited ('FTAL'), a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, for the next 5 financial years, i.e, from FY 2025-26 to FY 2029-30 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 of Directors of the Company (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), be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary documents, contract(s), scheme(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company, to delegate all or any of its powers conferred under this resolution to any Director or Key Managerial Personnel or any officer / executive of the Company and to resolve all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred to, without being required to seek further consent or approval of the Members and that the Members shall deemed to have approved, ratified and confirmed in all respects thereto expressly by the authority of this resolution."

7. Introduction, Adoption and Implementation of 'Faze Three Employee Stock Option Scheme 2024'

To consider, and if thought fit, pass the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to (i) Regulation 6 and other applicable provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 read with all circulars and notifications issued thereunder (‘SBEB Regulations’), (ii) Section 62(1)(b) and other provisions of the Companies Act, 2013 (‘Act’) read with the relevant Rules made thereunder (including any amendments, modifications and/ or re-enactments thereof for the time being in force), (iii) the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’), (iv) the applicable provisions of the Foreign Exchange Management Act, 1999, the rules and regulations framed thereunder and any rules, circulars, notifications, guidelines and regulations issued by Reserve Bank of India, as amended and enacted from time to time, (v) the relevant provisions of the Memorandum and Articles of Association of the Company and (vi) any other laws, rules, regulations, circulars and guidelines of any / various statutory / regulatory authority(ies) that are or may become applicable, subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, consent of the Members of the Company be and is hereby accorded for the introduction and implementation of ‘Faze Three Employee Stock Option Scheme 2024’ (‘ESOP 2024’/‘Scheme’) and authorising the Board of Directors of the Company (hereinafter referred to as the ‘Board’, which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee (‘NRC’), which has been designated as the Compensation Committee for the purpose of Regulation 5 of the SBEB Regulations) to exercise its powers including the powers conferred by this resolution to adopt and implement the ESOP 2024, the salient features of which are furnished in the Explanatory Statement.

RESOLVED FURTHER THAT consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (which term shall be deemed to include any committee, including the NRC which the Board has designated as Compensation Committee to exercise its powers, including the powers, conferred by this resolution) to create, offer, issue, grant and allot from time to time, in one or more tranches, not exceeding 10,94,355 (Ten Lakhs Ninety Four Thousand Three Hundred and Fifty Five) Employee Stock Options (‘Options’) to the eligible employees (present and future) of the Company (working in India or outside India) exercisable into not exceeding 10,94,355 (Ten Lakhs Ninety Four Thousand Three Hundred and Fifty Five) equity shares of the face value of ₹ 10 (Rupees Ten only) each fully paid-up, being 4.5% of the Paid-Up Equity Capital of the Company as on March 31, 2024, and to issue, transfer, allot such number of equity shares to the option grantees through the Faze Three Employee Trust (‘Trust’), where 1 (One) Option would convert into 1 (One) equity share upon exercise, on such terms and in such manner as the Board may decide in accordance with the provisions of the applicable laws and the provisions of ESOP 2024.

RESOLVED FURTHER THAT out of the overall pool of 10,94,355 (Ten Lakhs Ninety Four Thousand Three Hundred and Fifty Five) Equity Shares, the Trust may acquire such quantity of equity shares by way of secondary acquisition from the market and/or fresh allotment by the Company as decided by the Nomination and Remuneration Committee, or other modes as permissible under the SBEB Regulations and other applicable laws from time to time.

RESOLVED FURTHER THAT the equity shares allotted pursuant to the exercise of the Options, shall rank pari-passu in all respects with the existing fully paid-up equity shares of the Company.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division or other re-organisation, split, change in capital structure of the Company, as applicable from time to time, if any additional Options are granted or equity shares are issued by the Company to the grantees for the purpose of making a fair and reasonable adjustment to the Options granted earlier, the ceiling of total number of Options and equity shares specified above shall be deemed to be increased to the extent of such additional Options granted or equity shares issued.

RESOLVED FURTHER THAT in case the equity shares of the Company are either sub-divided or consolidated,

then the number of equity shares to be allotted and the price of acquisition payable by the grantees under the Scheme shall automatically stand reduced or augmented, as the case may be, in the same proportion as the face value per equity share shall bear to the revised face value of the equity shares of the Company after such sub division or consolidation, without affecting any other rights or obligations of the employees who have been granted Options under the ESOP 2024 and the ceiling in terms of number of shares specified above shall be deemed to be adjusted accordingly.

RESOLVED FURTHER THAT the Board of Directors (which term shall be deemed to include any committee, including the NRC which the Board has designated as Compensation Committee to exercise its powers, including the powers, conferred by this resolution), subject to compliance with the SBEB Regulations and other applicable laws, rules and regulations, be and is hereby authorized at any time to modify, change, vary, alter, amend, suspend or terminate the Scheme unless such change is detrimental to the interest of the employees of the Company including authorization to take requisite steps for listing of the equity shares allotted under ESOP 2024 on the Stock Exchanges where the equity shares of the Company are listed in due compliance with SEBI Regulations and other applicable laws and authorisation or issuance of directions to appoint merchant bankers, advisors, solicitors, consultants or representatives, being incidental to the effective implementation and administration and to do all such acts, deeds, matters and things as it may in its absolute discretion deems fit for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard and further to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the Scheme and do all other things incidental and ancillary thereof.

RESOLVED FURTHER THAT the Board of Directors, Chief Financial Officer and Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient or proper and to give and to nominate and appoint one or more persons for carrying out any or all of the activities that the Board of Directors are authorized to do for the purpose of giving effect to this resolution.”

8. Extension of Faze Three Employee Stock Option Scheme 2024 to the employees of group company(ies) including subsidiary company(ies) or its associate company(ies), in India or Outside India.

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

“**RESOLVED THAT** pursuant to (i) Regulation 6 and other applicable provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 read with all circulars and notifications issued thereunder (‘SBEB Regulations’), (ii) Section 62(1)(b) and other provisions of the Companies Act, 2013 (‘Act’) read with the relevant Rules made thereunder (including any amendments, modifications and/ or re-enactments thereof for the time being in force), (iii) the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’), (iv) the applicable provisions of the Foreign Exchange Management Act, 1999, the rules and regulations framed thereunder and any rules, circulars, notifications, guidelines and regulations issued by Reserve Bank of India, as amended and enacted from time to time, (v) the relevant provisions of the Memorandum and Articles of Association of the Company and (vi) and any other laws, rules, regulations, circulars and guidelines of any / various statutory / regulatory authority(ies) that are or may become applicable and subject further to such other approval(s), consent(s), permission(s), and/or sanction(s) as may be necessary from the appropriate regulatory authority(ies)/ institution(s) and such conditions and modifications as may be prescribed/imposed by the appropriate regulatory authority(ies)/ institution(s) while granting such approval(s), consent(s), permission(s) and/or sanction(s), the consent of the Members of the Company be and is hereby accorded to extend the benefits of Faze Three Employee Stock Option Scheme – 2024 (‘ESOP 2024’/‘Scheme’) including the grant of Employee Stock Options (‘Options’) and issuance of Equity Shares (‘Shares’) thereunder, to such Employees and Directors (In India or Outside India,

Present and Future) of the Group Company(ies) including Subsidiary Company(ies) and/or its Associate Company(ies), in India or outside India, Present and Future, and/or of a Holding Company of the Company (if any in the Future), (as permitted under the applicable laws) and to such other persons as may, from time to time on such terms and in such manner as the Board of Directors (hereinafter referred to as the 'Board', which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee ('NRC'), which has been designated as the Compensation Committee for the purpose of Regulation 5 of the SBEB Regulations) may decide in accordance with the provisions of the applicable laws and the provisions of the Scheme.

RESOLVED FURTHER THAT that the aggregate Options that may be granted to Employees and Directors of the Group Company(ies) including Subsidiary Company(ies) or its Associate Company(ies), or of a Holding Company of the Company, as mentioned above, together with the Options that may be granted to Employees and Directors of the Company, in one or more tranches, shall not exceed 4.5% percent of the Paid-Up Equity Capital of the Company as on March 31, 2024, comprising of 10,94,355 (Ten Lakhs Ninety Four Thousand Three Hundred and Fifty Five) Employee Stock Options, exercisable into not more than 10,94,355 (Ten Lakhs Ninety Four Thousand Three Hundred and Fifty Five) Equity Shares of face value of ₹ 10/- each fully paid up on such terms and in such manner as the Board may decide in accordance with the provisions of the applicable laws and the provisions of the Scheme.

RESOLVED FURTHER THAT the equity shares allotted pursuant to the exercise of the Options, shall rank pari-passu in all respects with the existing fully paid-up equity shares of the Company.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division or other re-organisation, split, change in capital structure of the Company, as applicable from time to time, if any additional Options are granted or equity shares are issued by the Company to the grantees for the purpose of making a fair and reasonable adjustment to the Options granted earlier, the ceiling of total number of Options and equity shares specified above shall be deemed to be increased to the extent of such additional Options granted or equity shares issued.

RESOLVED FURTHER THAT in case the equity shares of the Company are either sub-divided or consolidated, then the number of equity shares to be allotted and the price of acquisition payable by the grantees under the Scheme shall automatically stand reduced or augmented, as the case may be, in the same proportion as the face value per equity share shall bear to the revised face value of the equity shares of the Company after such sub division or consolidation, without affecting any other rights or obligations of the employees who have been granted Options under the ESOP 2024 and the ceiling in terms of number of shares specified above shall be deemed to be adjusted accordingly.

RESOLVED FURTHER THAT the Board of Directors, Chief Financial Officer and Company Secretary of the Company be and is hereby authorized to do all such acts, deeds, and things, as it may, in its absolute discretion deem necessary for the effective implementation and administration of the Scheme and to make applications to the appropriate authorities, for their requisite approvals and take all necessary actions and to settle all such questions, difficulties or doubts whatsoever that may arise while implementing this resolution and to nominate and appoint one or more persons for carrying out any or all of the activities that they are authorised to do for the purpose of giving effect to this resolution."

9. Implementation of Faze Three Employee Stock Option Scheme, 2024 through Trust and secondary acquisition of equity shares of the Company by the Trust.

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

"RESOLVED THAT pursuant to (i) the provisions of Regulation 6(3)(a) and other applicable provisions, if any, of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations,

2021 ('SBEB Regulations'), (ii) applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any amendment thereto or re-enactment thereof), (iii) the applicable provisions, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), (iv) Memorandum of Association and Articles of Association of the Company and subject further to such other approval(s), permission(s) and sanction(s) as may be necessary and such conditions and modifications as may be prescribed or imposed while granting such approval(s), permission(s) and sanction(s), the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board' which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee ('NRC'), which has been designated as the Compensation Committee to exercise the powers as conferred under this resolution and for the purpose of Regulation 5 of the SBEB Regulations) to acquire by way of secondary acquisition of upto 10,94,355 (Ten Lakhs Ninety Four Thousand Three Hundred and Fifty Five Equity Shares ('Shares') of the Company by Faze Three Employee Trust (or such other name as NRC/ Compensation Committee may deem appropriate and approved by relevant authorities (if required) ('Trust'), in one or more tranches, and at such price or prices and on such terms and conditions, as may be determined by the Board of Director (referred to as the 'Board' which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee ('NRC'), which has been designated as the Compensation Committee to exercise the powers as conferred under this resolution), for the purpose of implementation of Faze Three Employee Stock Option Scheme 2024 ('ESOP 2024'/'Scheme'), in due compliance with the provisions of the SBEB Regulations.

RESOLVED FURTHER THAT the number of Shares under secondary acquisition to be acquired and/ or held by the Trust in pursuance to the Scheme shall, at all times, be within the limits specified under the provisions of the SBEB Regulations, as amended from time to time.

RESOLVED FURTHER THAT the above limits shall automatically include within their ambit the expanded or reduced capital of the company where such expansion or reduction has taken place on account of corporate action(s) including issue of bonus shares, stock splits, consolidations, rights issue, buy-back, scheme of arrangement or other re-organisation of capital structure of the Company as may be applicable from time to time.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, and things, as it may, in its absolute discretion deem necessary and incidental for the effective implementation and administration of the Scheme and to make applications to the appropriate Authorities, for their requisite approvals and take all necessary actions and to settle all such questions, difficulties or doubts whatsoever that may arise while implementing this resolution

RESOLVED FURTHER THAT the Board of Directors be and is hereby also authorised to nominate and appoint one or more persons for carrying out any or all of the activities that the Board of Directors is authorised to do for the purpose of giving effect to this resolution."

10. Provision of money by the Company for purchase of its own shares by the trust / trustees for the benefit of employees under Faze Three Employee Stock Option Scheme, 2024.

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

"RESOLVED THAT pursuant to (i) the provisions of Section 67(3), 62(1)(b) of the Companies Act, 2013, Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Rules made thereunder (including any amendment thereto or re-enactment thereof), (ii) the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ('SBEB Regulations'), (iii) the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing

Regulations), (iv) Memorandum of Association and Articles of Association of the Company and subject further to such other approval(s), permission(s) and sanction(s) as may be necessary from the appropriate regulatory authority(ies)/ institution(s) and such conditions and modifications as may be prescribed/imposed by the appropriate regulatory authority(ies)/ institution(s) while granting such approval(s), consent(s), permission(s) and/or sanction(s), the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board' which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee ("NRC"), which has been designated as the Compensation Committee to exercise the powers as conferred under this resolution and for the purpose of Regulation 5 of the SBEB Regulations), to grant interest free loan, to provide guarantee or security in connection with a loan granted or to be granted, to Faze Three Employee Trust ('Trust'), on such terms and conditions as may be deemed fit by the Board, in one or more tranches not exceeding 5% (Five percent) of the aggregate of the Paid-Up share capital and Free Reserves, or other limit as prescribed under the applicable laws, from time to time, for the purpose of purchase of fully paid-up Equity Shares of the Company by the Trust/ Trustees, in one or more tranches, subject to the ceiling of Equity Shares ('Shares') as may be prescribed under Faze Three Employee Stock Option Scheme 2024 ('ESOP 2024'/'Scheme') or any other share based Employee benefit scheme which may be introduced by the Company from time to time ('Employee Benefit Scheme(s)') or for employee Welfare (including but not limited education, health) as may be permissible under SBEB Regulations, with a view to purchase/deal in such Shares in line with contemplated objectives of the Scheme or for any related purpose(s) as permitted under and in due compliance with the provisions of the SBEB Regulations, the Act and any other applicable laws and regulations.

RESOLVED FURTHER THAT the above prescribed limit shall be taken on consolidated basis for all Employee Benefit Scheme(s) as may be undertaken by the Company from time to time.

RESOLVED FURTHER THAT loan provided by the Company shall be subject to the terms and conditions, including but not limited to, as given herein below:

- a) the loan shall be interest free;
- b) the tenure of such loan shall be till the objects of the Trust are accomplished or the repayment of loan is made, whichever is earlier;
- c) the utilization of such loan shall be for the objects of the Trust as mentioned in the Trust Deed, and
- d) the Trust shall repay the loan to the Company by utilising the proceeds realised from exercise of Options and the accruals of the Trust during the tenure of the Scheme or at the time of termination of the Scheme.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as they may deem necessary or expedient and are also authorised to nominate and appoint one or more persons for carrying out any or all of the activities that the Board of Directors is authorised to do for the purpose of giving effect to this resolution."

Place: Mumbai
Date: September 04, 2024

By Order of the Board of Directors,
Faze Three Limited

Registered Office address:
 Survey No. 380/1, Khanvel Silvassa Road, Village Dapada,
 UT of D&NH and D&D 396230, India

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

CIN: L99999DN1985PLC000197
Website: www.fazethree.com
Email id: cs@fazethree.com
Tel: 91 (22) 43514444/ 66604600

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 39th Annual General Meeting (“AGM”), as set out under Item No. 3 to 10 above and the relevant details of the Directors being re-appointed as mentioned under Item No. 2, 3 & 4 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. Ministry of Corporate Affairs (“MCA”) vide its General Circulars Nos. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 05, 2020, and subsequent circulars issued in this regard, the latest being 9/2023 dated September 25, 2023, (‘MCA Circulars’) has permitted the holding of the annual general meeting through Video Conferencing (“VC”) or through Other Audio-Visual Means (“OAVM”), without the physical presence of the Members at a common venue. The Company has availed the services of National Securities Depository Limited (NSDL) for voting through remote e-voting, for participation in the AGM through VC/OAVM and e-voting during the AGM. The detailed procedure for participating in the meeting through VC/OAVM is annexed herewith (Serial no. 20).
3. In accordance with the Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India (‘ICSI’) read with Clarification / Guidance on applicability of Secretarial Standards - 1 and 2 dated April 15, 2020 issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM.
4. Pursuant to the MCA Circulars read with Securities and Exchange Board of India Master Circular No. SEBI/HO/CFD/PoD2/P/2023/120 dated July 11, 2023 and Circular No. SEBI/ HO/CFD/PoD-2/P/CIR/2023/167 dated October 07, 2023, as the AGM will be conducted through VC/OAVM, the facility for appointment of proxy by the members is not available for this AGM and hence, the proxy form is not annexed to this Notice. Further, attendance slip including route map is not annexed to this Notice. However, the Bodies Corporate are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
5. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. In accordance with the MCA Circulars, the Notice of 39th AGM and Annual Report for the financial year 2023-24 are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s). Further, the Notice of 39th AGM along with Annual Report for the financial year 2023-24 is also available on the website of the Company at www.fazethree.com, on the website of Stock Exchanges on which the equity shares of the Company are listed i.e. BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com and on the website of NSDL at www.evoting.nsdl.com.
7. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the MCA Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.

8. 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.
9. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
10. The Register of Members and Share transfer books of the Company will remain closed from Friday, September 20, 2024 to Thursday, September 26, 2024, both days inclusive.
11. Members whose email address is not registered are requested to follow the below instructions:
 - For shares held in Electronic form: Register/ update the details in your demat account as per the process advised by your DP;
 - For Shares held in Physical form: Register/ update the details by sending duly filled Form ISR-1 (uploaded on the website of the Company/RTA) along with relevant proof to the Registrar and Share Transfer Agent, Link Intime India Private Limited at 247 Park, C-101, 1st floor, L.B.S Marg, Vikhroli (West), Mumbai-400083 or via email through your registered email address at rnt.helpdesk@linkintime.co.in.
12. 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.
13. Members who are present in meeting through video conferencing facility and have not casted their vote on resolutions through remote e-voting, shall be allowed to vote through e-voting system during the meeting.
14. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or arrangements in which the Directors are interested under Section 189 of the Act 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@fazethree.com.
15. The Board of Directors has appointed M/s. Sanjay Dholakia & Associates, Practicing Company Secretaries (Membership No. 2655, CP No. 1798), 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.
16. The Scrutinizer shall, after scrutinizing the votes cast through e-voting during the meeting and through

remote e-voting, not later than two working days from the conclusion of the Meeting, make a Scrutinizer's Report and submit the same to the Chairperson / Company Secretary who shall declare the results. Results of the voting will be declared by placing the same along with the Scrutinizer's report on the Company's website at www.fazethree.com and on the website of NSDL at www.evoting.nsdl.com and will also be communicated to BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com.

17. The Company's Registrar and Transfer Agent for its Share Registry Work (Physical and Electronic) is Link Intime India Private Limited having its office premises at C-101, Embassy 247, LBS Marg, Vikhroli (West), Mumbai – 400083.
18. Members who would like to share their views, ask queries/ questions on the Annual Report/ Financial Statements/ affairs of the Company, etc., speak at the AGM, may send an email from their registered email address mentioning their name, DP ID and Client ID/folio number and mobile number to cs@fazethree.com, at least 48 hours before the AGM scheduled time which shall be addressed at the AGM suitably.
19. Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('The Rules') notified by the Ministry of Corporate Affairs effective September 7, 2016, all shares in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years or more are to be transferred to the Investor Education and Protection Fund (IEPF) Suspense Account. As on the date of this notice, the Company has no such shares on which dividend has not been claimed or paid for a consecutive period of seven years.
20. **The instructions for members for remote e-voting and joining annual general meeting are as under:**

The remote e-voting period begins on **Tuesday, September 24, 2024 at 09.00 A.M. IST and ends on Thursday, September 26, 2024 at 05.00 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 20, 2024**, may cast their vote electronically. The voting right of the 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 20, 2024**.

How do I vote electronically using NSDL e-Voting system?





The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

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.nsdl.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.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 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. 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. <div style="text-align: center;"> <p>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> </div>

Individual Shareholders holding securities in demat mode with CDSL	<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 e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	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.

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
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Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	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

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.com 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.com. 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 or send a request to (Mr. Sagar Gudhate) at evoting@nsdl.com

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@fazethree.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@fazethree.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.com 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:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the 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 AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the 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.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. 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.

21. OTHERS:

- 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@fazethree.com.
- 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.fazethree.com/important-announcement-for-physical-shareholders/>

- SEBI has, vide its Master Circular dated May 07, 2024, had made it mandatory for holders of physical securities to furnish details of PAN, KYC (Postal Address, Mobile Number, E-mail, Bank Details, Signature) and Nomination/ Optout of Nomination. Accordingly, we urge Members holding shares of the Company in physical form for furnishing their PAN, KYC and Nomination details in the required forms with the supporting documents. 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.fazethree.com/important-announcement-for-physical-shareholders-2/>.
- During the 39th AGM, the Chairman shall respond to the questions raised by the Members in advance sent through email.

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

Place: Mumbai
Date: September 04, 2024

Sd/-
Akram Sati
Company Secretary & Compliance Officer
M. No. A50020

EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS PUSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

ITEM NO. 3

The Members at the 36th Annual General Meeting of the Company held on August 09, 2021 had approved the re-appointment of Mr. Ajay Anand (DIN: 00373248) as the Managing Director of the Company for a period of 3 (three) years commencing from April 01, 2022 to March 31, 2025. Considering the aforementioned, the term of Mr. Ajay Anand as the Managing Director of the Company is near to conclusion on March 31, 2025.

Members are informed that Mr. Ajay Anand age is currently aged 69 years and during his new term, if reappointed, would attain age of 70 years and hence, as per the provision of Section 196(3) of the Companies Act, 2013 ('the Act') read with conditions specified in Part 1 of Schedule V of the Act, the said re-appointment is required to be approved by way of a special resolution.

Mr. Ajay's visionary guidance has been instrumental in driving company's growth. Under his mentorship, the Company has achieved steady growth, marked by consistent expansion, strategic initiatives, and a relentless pursuit of excellence. His ability to navigate through uncertainties and make well-informed decisions has ensured the sustainability of Company's operations. The Board is firmly convinced that his exceptional management skills and vast experience will continue to enrich and elevate the company's performance and success. Recognizing the significant role of Mr. Ajay for the overall growth and progress of the Company during the period and keeping in view the role and responsibilities shouldered by him, the Board of Directors at its meeting held on August 13, 2024, on the recommendation of the Nomination and Remuneration Committee, approved the re-appointment of Mr. Ajay Anand as the Managing Director of the Company for a further period of 5 years, who shall be liable to retire by rotation, with effect from April 1, 2025 to March 31, 2030 on the terms and conditions as set out hereunder, subject to the approval of the Members.

Members are further informed that Mr. Ajay Anand is also the Managing Director of Faze Three Autofab Limited, an unlisted Public Company having common Promoters. Such role of Mr. Ajay Anand as Managing Director of both the Companies and the terms and payment of remuneration is/will be subject to the provisions of Section 196, 197 and Schedule V of the Act. Hence, approval of the members is sought by way of special resolution.

The Company has received a notice under Section 160 of the Act from a Member of the Company proposing his candidature as a Managing Director of the Company.

Mr. Ajay Anand is not disqualified from being appointed as a Director, in terms of the provisions of Section 164 of the Act and is not debarred from holding the office of Director by virtue of any order passed by the Securities and Exchange Board of India or any other authority(ies) and has given his consent to act as a Director of the Company. Further, he satisfies all the conditions set out in Part-I of Schedule V to the Act and also the conditions set out under Section 196(3) of the Act for being eligible for appointment.

Except Mr. Ajay Anand (the appointee Managing Director), Mrs. Rashmi Anand (Non-Executive Director) and Mr. Sanjay Anand (Whole-time 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Broad particulars of the terms of re-appointment of Mr. Ajay Anand:

Basic Salary: INR 96.00 Lakhs (Rupees Ninety-Six Lakhs) per annum with an annual increase based on the recommendation of the Nomination and Remuneration Committee and approval of the Board, subject to a

maximum of INR 120.00 Lakhs per annum;

Commission: Upto 1% of annual net profits.

Performance linked bonus: Managing Director shall be paid Performance Linked Bonus as may be decided by the Board of Directors or a Committee thereof from year to year, based on achievement of such performance parameters as may be determined by the Board of Directors or a Committee thereof from time to time.

Perquisites: In addition to the remuneration as stated above, Mr. Ajay Anand shall also be entitled, as per the Rules of the Company, to perquisites like accommodations (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance together with reimbursement of expenses and / or allowances for utilisation of gas, electricity, water, furnishing and repairs, medical assistance and air passage and / or leave travel concession / allowances for self and family including dependents, personal accident insurance premium, reimbursement of club memberships and such other perquisites and allowances in accordance with the rules of the Company. The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules thereunder or any statutory modification(s) or reenactment(s) thereof; in the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

Retirement Benefits: The Company's contribution to provident fund, superannuation or annuity fund, gratuity payable and encashment of leave, as per the rules of the Company, shall be in addition to the remuneration above.

Reimbursement of Expenses: Expenses incurred for travelling, boarding and lodging during business trips and provision of car(s) for use on Company's business and communication expenses at residence shall be reimbursed at actuals and not considered as perquisites.

Other terms: Mr. Ajay Anand, shall be vested with substantial powers of the management subject to the supervision, control and direction of the Board. As long as Mr. Ajay Anand functions as Managing Director of the Company, no sitting fees will be paid to him for attending the meetings of the Board of Directors or Committee thereof. His office as a Managing Director shall be liable to retire by rotation, however his retirement will not break his length of service.

Where in any financial year during his tenure as Managing Director, if the Company has no profit or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites/ allowances as aforesaid.

The Explanatory Statement may be considered as a written Memorandum setting out terms, conditions and limits of remuneration for Mr. Ajay Anand as the MD of the Company in terms of Section 190 of the Act.

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

ITEM NO. 4

The members at the 36th Annual General Meeting of the Company held on August 09, 2021 had approved the re-appointment of Mr. Sanjay Anand (DIN: 01367853) as Whole-time Director of the Company for a period of 3 (Three) years commencing from April 01, 2022 to March 31, 2025. Considering the aforementioned, his term as the Whole Time Director of the Company is near to conclusion on March 31, 2025.

The Board is of a considered view that the Company will be benefitted by his management abilities and vast experience. Recognizing the significant role of Mr. Sanjay Anand for the overall growth and progress of the Company during his association with the Company and keeping in view the role and responsibilities shouldered by him, the Board of Directors at its meeting held on August 13, 2024, on the recommendations of the

Nomination and Remuneration Committee, has approved the re-appointment of Mr. Sanjay Anand as the Whole-time Director of the Company for a further period of 5 years, liable to retire by rotation, with effect from April 1, 2025 to March 31, 2030 on the terms and conditions as set out hereunder, subject to the approval of the members. The Company has also received a notice under Section 160 of the Act from a Member of the Company signifying his candidature as a Whole-time Director of the Company.

Mr. Sanjay Anand is not disqualified from being appointed as a Director, in terms of the provisions of Section 164 of the Act and is not debarred from holding the office of Director by virtue of any order passed by the Securities and Exchange Board of India or any other authority(ies) and has given his consent to act as a Director of the Company. Further, he satisfies all the conditions set out in Part-I of Schedule V to the Act and also the conditions set out under Section 196(3) of the Act for being eligible for appointment.

Except Mr. Sanjay Anand (the appointee Whole-time Director), Mrs. Rashmi Anand (Non-Executive Director) and Mr. Ajay Anand (Managing 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 Listing Regulations.

Broad particulars of the terms of re-appointment of Mr. Sanjay Anand:

Basic Salary: INR 48.00 Lakhs (Rupees Forty-Eight Lakhs) per annum with an annual increase based on the recommendation of the Nomination and Remuneration Committee and approval of Board, subject to a maximum of INR 75.00 Lakhs per annum;

Commission: Upto 0.50% of annual net profits.

Performance linked bonus: Whole-time Director shall be paid Performance Linked Bonus as may be decided by the Board of Directors or a Committee thereof from year to year, based on achievement of such performance parameters as may be determined by the Board of Directors or a Committee thereof from time to time.

Perquisites: In addition to the remuneration as stated above, Mr. Sanjay Anand shall also be entitled, as per the Rules of the Company, to perquisites like accommodations (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance together with reimbursement of expenses and / or allowances for utilisation of gas, electricity, water, furnishing and repairs, medical assistance and air passage and / or leave travel concession / allowances for self and family including dependents, personal accident insurance premium, reimbursement of club memberships and such other perquisites and allowances in accordance with the rules of the Company. The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules thereunder or any statutory modification(s) or reenactment(s) thereof; in the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

Retirement Benefits: The Company's contribution to provident fund, superannuation or annuity fund, gratuity payable and encashment of leave, as per the rules of the Company, shall be in addition to the remuneration above.

Reimbursement of Expenses: Expenses incurred for travelling, boarding and lodging during business trips and provision of car(s) for use on Company's business and communication expenses at residence shall be reimbursed at actuals and not considered as perquisites.

Other terms: Mr. Sanjay Anand shall be vested with such powers as may be conferred upon him by the Board of Directors from time to time. As long as Mr. Sanjay Anand functions as Whole-time Director of the Company, no sitting fees will be paid to him for attending the meetings of the Board of Directors or Committee thereof.

His office as a Whole-time Director shall be liable to retire by rotation, however his retirement will not break his length of service.

Where in any financial year during his tenure as Whole Time Director, if the Company has no profit or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites/ allowances as aforesaid.

The Explanatory Statement may be considered as a written Memorandum setting out terms, conditions and limits of remuneration for Mr. Sanjay Anand as the WTD of the Company in terms of Section 190 of the Act.

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 3 & 4:

I. General Information

1. Nature of industry:

Faze Three Limited is engaged in manufacturing and export of Home Textile Products, cotton handlooms, furnishing fabrics and textile made ups. It has 8 state of the art manufacturing units at Dadra and Nagar Haveli, Vapi (Gujarat), Aurangabad (Maharashtra) and Panipat (Haryana) in India. It has a diversified product basket which includes cotton and rubber backed bathmats, durries, chairpads, tufted bed spreads and throws, hand tufted carpets and rugs made of cotton and wool, cushion covers, curtains as well as poly cotton and cotton damask table covers, napkins, patio mats, seat covers amongst others.

The Company caters to high end home textiles segment and the orders are custom made as per the client specifications. Majority of the revenue (~90% FY 2023-24) is derived from the international market. The key export markets include the United States of America (USA), United Kingdom (UK), Germany, Australia, Hong Kong, Canada, South Africa, Brazil and others.

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

Not applicable since the Company is established since the year 1985.

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

Not applicable since the Company is established since the year 1985.

4. Financial performance based on given indicators:

The key highlights of the financial performance of the Company on a standalone basis is as stated below:

(in crores)

Particulars	For the Year ended 31.03.2024	For the Year ended 31.03.2023	For the Year ended 31.03.2022
Revenue from Operations	535.85	547.92	505.01
Profit before tax	57.24	76.71	71.39
Profit for the year	42.11	57.44	51.07
Total comprehensive income for the year	41.55	57.28	52.30

5. Foreign investments or collaborations, if any:

The Company has not entered into any foreign collaboration and no direct capital investment has been made in the Company. Foreign investors, mainly comprising FPIs and NRIs, are investors in the Company on account of secondary market purchase.

II. Information about the appointee:

1. Background details:

Mr. Ajay Anand

Mr. Ajay Anand, Indian Inhabitant, aged 69 years, is the founder promoter of the Company and is associated with the Company since its inception. He was re-appointed as Managing Director effective from 1st April 2022 for a period of 3 years and also acts as a Chairman to the Board of Directors. Mr. Ajay Anand holds graduate level qualification with expert and specialized knowledge in the field of home and automotive textiles. He has more than 3 decades of experience in the industry and has led the Company throughout. His quest for innovation and consistency has helped the business of the Company grow year on year and become one of the most preferred vendors among the retail giants in the US and European markets in the field of Home Textiles.

Mr. Sanjay Anand

Mr. Sanjay Anand is associated with the Company since its inception and has been actively involved in the Company's manufacturing operations at Panipat, Haryana. He was re-appointed as the Whole-Time Director effective from 1st April 2022 for a period of 3 years. He holds a bachelor degree and plays a key role in business development and sealing business deals and large orders with the customers, most of which are top retail giants in the key cities across the world. He has an experience of more than 3 decades in the textile industry.

2. Past remuneration:

The remuneration drawn for the financial year 2023-24:

Mr. Ajay Anand - INR 68.61 Lakhs

Mr. Sanjay Anand – INR 38.40 Lakhs

3. Recognition or Awards:

Both, Mr. Ajay and Mr. Sanjay, have been associated with the Company since its inception and have made key contributions in scaling up the business of the Company. The Company under their leadership has been:

- Awarded the “Dun & Bradstreet - G7 CR Technologies Business Enterprises of Tomorrow Summit 2024” Business Excellence Awards in Category Mid-Corporate – Textile & Textile Articles.
- Awarded the status of Four-Star Export House from Ministry of Commerce & Industry (Upgraded from Three-Star Export House in November 2023)
- Awarded the Dun & Bradstreet “Business Enterprises of Tomorrow 2022” Business Excellence Awards in Category Mid-Corporate – Textile & Textile Articles on November 29, 2022.
- Recognized as one of the “Best Global Business Category (Mid-Corporates) in India – 2021” by Dun and Bradstreet’s Business Excellence Awards 2021 on November 24, 2021.
- Recognized as one of the leading “Mid-Corporates in India - 2020” by Dun and Bradstreet’s premier publication released on November 25, 2020.
- The Company was awarded the Dun & Bradstreet - RBL Bank SME Business Excellence Awards 2019 in the Mid- Corporate Segment for excellence in the Textile Sector.

4. Job profile and his suitability:

Mr. Ajay Anand:

As a Managing Director, Mr. Ajay Anand has shouldered the Company throughout the period and is entrusted with such duties and powers as have been or may from time to time be entrusted or conferred upon him by the Board. He is a first-generation entrepreneur of proven caliber and skill and has a successful experience in business management as a leader.

Mr. Sanjay Anand:

Mr. Sanjay Anand plays a key role in the business development. He has successfully explored new markets and customers overseas during the years and has been able to tap the top retailers across the world and secure orders consistently. He manages the operations of the Company's handloom unit at Panipat, Haryana.

5. Remuneration proposed:

As per the Explanatory Statement for Item No. 3 and 4 annexed to the Notice.

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

The Company being in a very niche segment, it is very difficult to compare the remuneration in the industry as there are very few competitors in India having similar business structure. Having regard to the type of industry, trends in the industry, size of the Company, the responsibilities, the experience, expertise, efforts and capabilities, the Company believes that the remuneration proposed to be paid to Mr. Ajay Anand as a Managing Director and Mr. Sanjay Anand as a Whole-time Director for the responsibility shouldered by Mr. Ajay Anand and Mr. Sanjay Anand in navigating the business in these challenging times, the Committee and Board of Directors of the Company considers that the remuneration proposed for Mr. Ajay Anand and Mr. Sanjay Anand is justified and commensurate with 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. Ajay Anand is the Husband of Mrs. Rashmi Anand (Promoter & Non-Executive Director) and brother of Mr. Sanjay Anand (Promoter & Whole-Time Director) of the Company and Mr. Sanjay Anand is the brother of Mr. Ajay Anand (Promoter & Managing Director) and brother-in-law of Mrs. Rashmi Anand (Promoter & Non-Executive Director) of the Company. None of the other Directors, Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise.

Except for receiving remuneration and to the extent of their respective shareholdings, Mr. Ajay Anand and Mr. Sanjay Anand have no other pecuniary relationship with the Company.

III. Other information:

1. Reasons of loss or inadequate profits:

Not applicable, as the Company has posted a net profit after tax of Rs. 42.11 crores (Standalone) during the financial year ended March 31, 2024.

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

Not applicable as the Company has adequate profits.

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

Not applicable as the Company has adequate profits.

Other Disclosure:

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, which is forming a part of this Annual Report.

The relevant information as required under the SEBI Listing Regulations and Secretarial Standard on General Meetings (SS2) issued by the Institute of Company Secretaries of India is enclosed hereinafter.

ITEM NO. 5

Regulation 23 of the Listing Regulations, as amended by the SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021, effective April 1, 2022, mandates prior approval of Members 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 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 INR 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.

Accordingly, in compliance with Regulations 23(4) of the Listing Regulations, the Members of the Company at their 38th Annual General Meeting of the Company held on September 22, 2023 had approved the material related party transactions, in the ordinary course of business of the Company and on an arm's length basis, of the Company with Faze Three Autofab Limited (FTAL) on such terms and conditions as may be agreed between the Company and FTAL, for an aggregate value not exceeding INR 87.50 Crores (Indian Rupees Eighty Seven Crores and Fifty Lakhs) (excluding applicable taxes) for the financial year 2024-25. However, considering the ongoing assignments and future business outlook the previously approved limits of Rs. 87.50 Crores (aggregate value) are proposed to be revised and enhanced to an aggregate value of Rs. 92.50 Crores (excluding applicable taxes).

The Audit Committee at its meeting held on August 27, 2024, approved the enhanced limits of the previously approved transaction(s), subject to approval of the Members, while noting that such transaction(s) shall be on arms' length basis and in the ordinary course of business of the Company.

Accordingly, based on the approval of the Audit Committee, the Board of Directors recommend the resolution contained in Item No. 5 of the accompanying Notice to the shareholders for approval.

Pursuant to SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 read with SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, the minimum information to be placed before the Members for consideration of Related Party Transaction is as under:

Sr. No.	Description	Particulars							
A	Type, material terms and particulars of the proposed transactions	Sale or supply of Services such as dyeing services, Stentering services and washing services etc.	Sale or supply of Goods such as Yarn, Dyes & Chemicals , etc.	Purchase of goods & materials such as yarn and fabrics, etc.	Purchase of services such as Jobwork services.	Rental Expenses	Rental Income	Reimbursement of expenses	Any other transactions
B	Name of the	Both Faze Three Limited (FTL) and Faze Three Autofab Limited (FTAL) have Mr. Ajay							

	related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	Anand and Mrs. Rashmi Anand as the common promoters and directors. Further, Mr. Sanjay Anand is a common promoter as well.							
C	Tenure of the proposed transactions	The above arrangements are continuing business transactions (Ongoing and perpetual transactions). However, approval of the Members is sought for FY 2024-25.							
D	Value (excluding applicable taxes) of the proposed transactions (INR in Crores)	40.00	15.00	20.00*	15.00	0.25	0.25	1.00	1.00
E	The percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year (i.e. as on March 31, 2024), that is represented by the value of the proposed transactions	7.09%	2.66%	3.54%	2.66%	0.04%	0.04%	0.18%	0.18%
H	Justification as to why the RPT is in the interest of the listed entity	These transactions not only help smoothen business operations for both the companies, but also ensure consistent flow of desired quality and quantity of facilities and services without interruption and generation of revenue and business for both the companies to cater to their business requirements. In short, these arrangements are commercially viable and offer ease of doing business.							
I	A copy of the valuation or other external party report, if any such report has been relied upon.								
K	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, intercorporate 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.	
L.	Any other information	None

**Limit revised from Rs. 15 Crores to Rs. 20 Crores*

Pursuant to Regulation 23(4) of the Listing Regulations, all individuals/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 passing of the resolution set out in Item No. 5 of the accompanying Notice as an **Ordinary Resolution**.

Except Mr. Ajay Anand (Managing Director), Mr. Sanjay Anand (Whole-time 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.

ITEM NO. 6

In furtherance to item no. 5, the Company proposes enter into transactions as mentioned in the table below ("said transactions"), with Faze Three Autofab Limited (FTAL), a related party on mutually agreed terms and conditions during the next 5 financial years, i.e, from FY 2025-26 to FY 2029-30 on mutually agreed terms and conditions. However, the aggregate value of such transaction(s) is also expected to cross the applicable materiality thresholds as mentioned hereinabove. The aggregate value of the proposed transactions for each year is upto INR 97.50 Crores (Indian Rupees Ninety-Seven Crores and Fifty Lakhs) (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.

The Audit Committee at its meeting held on August 13, 2024, recommended the said transaction(s) for the 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, the Board of Directors recommend the Resolution contained in Item No. 6 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. In addition to the transactions set out in this explanatory statement, approval of the Members is also being sought for any other transactions between the Company and FTAL 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.

Pursuant to SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 read with SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, the minimum information to be placed before the Members for consideration of Related Party Transaction is as under:

Sr. No.	Description	Particulars							
A	Type, material terms and particulars of the proposed transactions	Sale or supply of Services such as dyeing services, Stentering services and washing services etc.	Sale or supply of Goods such as Yarn, Dyes & Chemicals , etc.	Purchase of goods & materials such as yarn and fabrics, etc.	Purchase of services such as Jobwork services.	Rental Expenses	Rental Income	Reimbursement of expenses	Any other transactions
B	Name of the related party and its relationship with the listed entity or its	Both Faze Three Limited (FTL) and Faze Three Autofab Limited (FTAL) have Mr. Ajay Anand and Mrs. Rashmi Anand are the common promoters and directors. Further, Mr. Sanjay Anand is a common promoter as well.							

	subsidiary, including nature of its concern or interest (financial or otherwise)								
C	Tenure of the proposed transactions	The above arrangements are continuing business transactions (Ongoing and perpetual transactions). However, approval of the shareholders is being sought for the next 5 financial years i.e., from FY 2025-26 to FY 2029-30.							
D	Value (excluding applicable taxes) of the proposed transactions (INR in Crores) for each of the year from FY 2025-26 to FY 2029-30	40.00	15.00	25.00	15.00	0.25	0.25	1.00	1.00
E	The percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year (i.e. as on March 31, 2024), that is represented by the value of the proposed transactions	7.09%	2.66%	4.43%	2.66%	0.04%	0.04%	0.18%	0.18%
H	Justification as to why the RPT is in the interest of the listed entity	These transactions not only help smoothen business operations for both the companies, but also ensure consistent flow of desired quality and quantity of facilities and services without interruption and generation of revenue and business for both the companies to cater to their business requirements. In short, these arrangements are commercially viable and offer ease of doing business.							
I	A copy of the valuation or other external party report, if any such report has been relied upon.	NOT APPLICABLE							
K	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.	<p>In case any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances or investment:</p> <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.	
L.	Any other information	None

Pursuant to Regulation 23(4) of the Listing Regulations, all individuals/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 passing of the resolution set out in Item No. 6 of the accompanying Notice as an **Ordinary Resolution**.

Except Mr. Ajay Anand (Managing Director), Mr. Sanjay Anand (Whole-time 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.

ITEM NOS. 7, 8 & 9:

Equity-based compensation plans are an effective tool to reward the talent working with the Company. With a view to motivate employees for their contribution to corporate growth, to create an employee ownership culture and to retain them for ensuring sustained growth, your Company intends to implement an Employee Stock Option Scheme viz. 'Faze Three Employee Stock Option Scheme 2024' ('ESOP 2024' / 'Scheme').

The primary objective of the Scheme is to reward the employees for their association, dedication and contribution to the goals of the Company. The Company intends to use this Scheme to attract and retain the key talent by way of rewarding their performance and motivating them to contribute to the overall corporate growth and profitability. The Company views employee stock option scheme as a long-term incentive tool that would assist in aligning employees' interest with that of the shareholders and enable the employees not only to become co-owners, but also to create wealth out of such ownership in future.

Accordingly, the Nomination and Remuneration Committee ('NRC') formulated the detailed terms and conditions of the Scheme, which were duly approved by the Board of Directors at its meeting held on September 04, 2024, subject to approval of the Members.

Under the Scheme, the Company would grant upto 10,94,355 (Ten Lakhs Ninety Four Thousand Three Hundred and Fifty Five) Employee Stock Options ('Options'), in one or more tranches, to such eligible employees as may be determined by the NRC in terms of the Scheme, that would entitle the grantees (in aggregate) to subscribe upto 10,94,355 (Ten Lakhs Ninety Four Thousand Three Hundred and Fifty Five) fully paid up equity shares of ₹ 10 (Rupee Ten only) each.

As per the provisions of Regulation 6 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ('SBEB Regulations') and 62(1)(b) and other applicable provisions of the Companies Act, 2013, the Company seeks approval of the Members for adoption and implementation of ESOP 2024 to the eligible employees (in India or Outside India, Present and Future) of the Company and/or group company(ies) including Subsidiary Company(ies) and/or Associate Company(ies), in India or Outside India Present and Future, and/or of a Holding Company of the Company (if any in the Future) as the NRC/Board may decide under the Scheme. The Scheme has been formulated in accordance with the provisions of the Act and SBEB Regulations. The salient features of the Scheme as required under Regulation 6 of the SBEB Regulations are set out as below:

a. Brief Description of the Scheme:

In view of the aforesaid objectives, the Scheme contemplates grant of Options to the eligible employees of the Company and/or group company(ies) including subsidiary company(ies) and/or associate company(ies) (Present and Future). The NRC shall act as the Compensation Committee for the administration of the Scheme and the implementation of the Scheme shall be through the Faze Three Employee Trust ('Trust'). The Scheme shall be deemed to have come into force on the date of receipt of shareholders' approval. It shall continue in effect till all the Options granted under the Scheme are exercised or have been extinguished or unless the Scheme is terminated in accordance with the applicable laws.

b. Total number of Option to be granted:

The maximum number of Options that may be granted pursuant to this Scheme shall not exceed 4.5% of the Paid-Up Equity Capital of the Company as on March 31, 2024, comprising into, 10,94,355 (Ten Lakhs Ninety-Four Thousand Three Hundred and Fifty Five) Options which shall be convertible into equal number of fully paid-up Equity Shares ('Shares') of ₹ 10/- each. The 10,94,355 (Ten Lakhs Ninety Four Thousand Three Hundred and Fifty Five) Shares shall be either directly issued to the Trust by the Company or shall be

acquired by the Trust from the Secondary Market by way of Secondary Acquisition, or other modes as permissible under the SBEB Regulations and other applicable laws in one or more tranches, as decided by the NRC, from time to time. If any Option granted under the Scheme lapses or is forfeited or surrendered under any provision of the Scheme, such Option would be available for future to any other employee as per the Scheme unless otherwise determined by the NRC. Further, the maximum number of Options that can be granted and the Equity Shares arising upon exercise of these Options shall stand adjusted in case of corporate actions (as defined in the Scheme).

c. Identification of class of employees entitled to participate in the ESOP 2024

Following classes of employees (Present and Future) are entitled to participate in the ESOP 2024:

- (i) an employee (Present and Future) as designated by the Company, working in or out of India; or
- (ii) a Director (Present and Future) of the Company, whether Whole-time or not, including a Non-Executive Director of the Company who is not a Promoter or Member of the Promoter Group of the Company, but excluding an Independent Director, or
- (iii) an employee (Present and Future) as defined in sub clauses (i) or (ii), of a Group Company including Subsidiary Company or its Associate Company, in India or outside India, or of a Holding Company; but excludes:
 - an Employee who is a Promoter or belongs to the Promoter Group;
 - any such Director who either by himself or through his relatives or through any body corporate, directly or indirectly holds more than 10% of the outstanding equity shares of the Company.

The selection of employees to be granted Options (as well as the number of Options to be granted) under the ESOP 2024 from amongst the above eligible employees shall be done by the NRC.

d. Requirements of vesting, period of vesting and maximum period within which the Options shall be vested.

Vesting period for any options granted under the Scheme subject to the statutory minimum vesting period of 1 (one) year from the date of Grant. Subject to this statutory minimum period, any staggered Vesting prescribed for any Grant shall be over a Vesting schedule of minimum of 1 (One) year and maximum of 10 (Ten) years from the date of Grant.

The NRC may, at its sole decision, decide the proportion of Options which shall vest each year during the Vesting schedule which may be different for different Employees or any class thereof.

The detailed terms and conditions for vesting will be governed by the Scheme.

e. Exercise Price or Pricing Formula:

Under this Scheme, the Exercise Price of the Shares will be decided by the NRC subject to minimum of face value i.e. ₹ 10 per share.

f. Exercise period and the process of exercise:

The exercise period in respect of the vested Options shall be determined by the NRC subject to a maximum period of 10 (Ten) years from the date of respective vesting of such option. The Exercise schedule may be different for different Employees or any class thereof.

An Option Grantee intending to exercise Vested Options shall make an application in writing to the Trust in such form as prescribed, from time to time, for the issuance/ transfer of Shares against the Options exercised, subject to payment of Exercise Price, applicable taxes and compliance of other requisite conditions of Exercise.

Options vested in one or more tranches may be exercised in full or in part or in tranches. However, no fraction of a Vested Option shall be exercisable in its fractional form.

The Options shall lapse if not exercised within the specified exercise period.

g. Appraisal process for determining the eligibility of Employees for the Scheme:

The appraisal process for determining the eligibility of the employees will be based on all or any of the following criteria such as, Longevity / period of Service, role performed, designation, performance of Company / unit / division or performance linked parameters such as work performance and such other criteria as may be determined by the NRC.

h. The Maximum number of Options to be granted per Employee and in aggregate:

The maximum number of Options that may be granted in aggregate pursuant to this Scheme shall not exceed 4.5% of the Paid-Up Equity Capital of the Company as on March 31, 2024, comprising of 10,94,355 (Ten Lakhs Ninety Four Thousand Three Hundred and Fifty Five) Options which shall be convertible into equal number of Shares.

The maximum number of options to be issued to any identified employee will be decided by the Committee, however the same shall not exceed 1 (one) percent of the issued equity shares of the Company as on the date of grant.

i. The Maximum quantum of benefits to be provided per Employee under the scheme:

The maximum quantum of benefits that will be provided to any eligible employee under the Scheme will be the difference between the market value of Company's shares on the stock exchanges as on the date of exercise of Options and the exercise price paid by the employee. Apart from grant of Options as stated above, no other benefits are contemplated under the Scheme.

j. Whether the Scheme(s) is to be implemented and administered directly by the Company or through a Trust:

The Scheme shall be implemented through Trust wherein the said shares may be either directly issued to the Trust by the Company or may be acquired by the Trust from Secondary Market (Secondary Acquisition) or such other modes as permissible under the SBEB Regulations and other applicable laws from time to time.

Subject to applicable laws and the framework laid down by the Board of Directors, the Scheme shall be administered by the NRC which shall delegate the administrative powers to the Trust, as per the applicable laws, for proper administration of the Scheme.

k. Whether the Scheme involves new issue of shares by the company or Secondary Acquisition by the Trust or both:

The Scheme involves both new issue of shares by the Company and Secondary Acquisition of shares of the company by the Trust.

l. The amount of loan to be provided for implementation of the Scheme by the Company to the Trust, its tenure, utilization, repayment terms, etc.:

The amount of interest free loan to be provided for implementation of the Scheme by the Company to the Trust shall not exceed the maximum limit prescribed under applicable laws, from time to time, presently not exceeding 5% of the paid-up capital and free reserves as on March 31 of the preceding financial year as provided in Companies Act, 2013. The tenure of such loan shall be till the objects of the Trust are accomplished or the repayment of loan is made, whichever is earlier. The utilization of such loan shall be

for the objects of the Trust as mentioned in the trust deed. The Trust shall repay the loan to the Company by the proceeds realized from exercise of Options by the Grantees and the accruals of the Trust during the tenure of the Scheme or termination of scheme.

m. The Maximum percentage of Secondary Acquisition (subject to limits specified under the regulations) that can be made by the Trust for the purposes of the Scheme:

Since the maximum number of Options that may be granted in aggregate pursuant to this Scheme shall not exceed 4.5% of the Paid-Up Equity Capital of the Company as on March 31, 2024, the total number of Shares that can be held by the Trust under Secondary Acquisition in pursuance to the Scheme shall at no time, exceed 4.5% of the Paid-up Equity Capital of the Company as on March 31, 2024 which is in due compliance with the provisions of the SBEB Regulations.

The secondary acquisition by the Trust in any financial year shall not exceed 2 (two) percent of the paid-up Equity capital as at the end of the respective previous financial year as prescribed under the provisions of the SEBI (SBEB & SE) Regulations, as amended from time to time.

n. Accounting and Disclosure Policies:

The Company shall follow the IND AS 102 on Share based payments and/or any relevant accounting standards/guidance note as may be prescribed by the Institute of Chartered Accountants of India or any other competent authority, from time to time, including the disclosure requirements prescribed therein, in compliance with Regulation 15 of SBEB Regulations.

o. Method of valuation of Options by the Company:

The Company shall follow the Indian Accounting Standards / the Guidance Note on Accounting for Employee Share-based Payments and/or any relevant Accounting Standards as may be prescribed by the appropriate authorities from time to time, including the disclosure requirements prescribed therein.

p. Period of lock-in:

The Shares transferred upon Exercise of Options maybe subject to lock-in period (if any) determined by NRC which may vary from employee to employee subject to provisions of applicable law.

q. Terms & conditions for buyback, if any, of specified securities/Options covered granted under the Scheme:

Subject to the provisions of the applicable laws, the Board/NRC shall determine the procedure for buy-back of the specified securities/Options if to be undertaken at any time by the Company and the applicable terms and conditions thereof.

In terms of the relevant provisions of the Companies Act, 2013, the SEBI SBEB Regulations, the approval of the Shareholders by way of Special Resolution is necessary for the (i) adoption and implementation of Faze Three Employee Stock Option Scheme 2024, (ii) for extending the benefits of the Scheme to the employees of Holding, subsidiaries, associate of the Company and (iii) for implementation of the scheme through Trust and secondary acquisition of shares by the Trust.

Your Board of Directors, therefore, recommend the Special resolutions as set out at item nos. 7, 8 and 9 of the notice for approval by members.

The copy of the Scheme and related documents will be available for inspection by the members of the Company at the registered office of the Company on all working days, during business hours i.e. 11.00 a.m. to 6.00 p.m. up to the last date of remote e-voting.

None of the Directors, Key Managerial Personnel and their relatives are, in any way, interested or concerned, financially or otherwise, in the resolutions as set out at Item Nos. 7 to 9 of this Notice except to the extent of

the options that may be granted to them under the Scheme in the manner as may be permissible under the relevant provisions of the Companies Act, 2013, rules made there under and SBEB Regulations.

ITEM NO. 10

In order to execute Faze Three Employee Stock Option Scheme 2024 through Trust Route, the Company is required to make provision of funds to the Trust so as to enable it to purchase the Equity Shares of the Company.

In terms of the provisions of Section 67 of the Act read with Rule 16 of Companies (Share Capital and Debentures) Rules, 2014, a Company shall not make a provision of money for the purchase of, or subscription for, fully paid-up shares in the Company, if the purchase of, or the subscription for, the equity shares held by trustees for the benefit of the employees; unless it is approved by the members by passing a special resolution.

Therefore, the Board recommends the Special Resolution set out in Item No. 10 of the notice for approval by the members.

The disclosures as per Rule 16 of Companies (Share Capital and Debentures) Rules, 2014, are as under:

a.	The class of Employees for whose benefit the Scheme is being implemented and money is being provided for purchase of or subscription to Shares.	As mentioned in point (c) of the explanatory statement to Resolution 7-9 above.
b.	Particulars of Trust.	An Irrevocable Trust is proposed to be set-up with the name 'Faze Three Employee Trust' having its office at 63, Wing C, Mittal Court, Nariman Point, Mumbai 400021
c.	Particulars of the Trustee or Employees in whose favor such Shares are to be registered -Name, Address, Occupation and Nationality of Trustees.	<p>Name: Ms. Shagufta Sadikot Address: E/2002, Sarova, Samta Nagar, Kandivali East, Mumbai 400 101. Occupation: Service Nationality: Indian</p> <p>Name: Mr. Manoj Mondal Address: Flat No. 201, Building No. H1, Yogi Milan, Ultan Falia, Subjail Road, Ring Road, Silvassa, Dadra & Nagar Haveli- 396230 Occupation: Service Nationality: Indian</p>
d.	Relationship of Trustees with Promoters, Directors or Key Managerial Personnel, if any.	None
f.	Any interest of Key Managerial Personnel, Directors or Promoters in such Scheme or Trust and effect thereof.	The Key Managerial personnel and Directors are interested in Faze Three Employee Stock Option Scheme 2024 only to the extent of the Options that may be granted to them, if any, under the Scheme.
g.	The detailed particulars of benefits which will accrue to the Employees from the implementation of the Scheme	The Employees will be entitled to exercise the options granted to them at the Exercise Price during the exercise period pursuant to Faze Three Employee Stock Option Scheme 2024.
h.	The details about who would exercise and how the voting rights in respect of the shares to be	The Trust would be considered as the registered Shareholder of the Company till the date of transfer of Equity Shares to the Employees.

	<p>purchased or subscribed under the scheme would be exercised</p>	<p>As long as SEBI Regulations/Applicable Laws for time being in force do not allow, the Trustees shall not be entitled to vote in respect of any shares or securities held by the Trust.</p> <p>Once the equity shares are transferred to the Employees upon their Exercise, the Employees will be treated as the Shareholder(s) of the Company and shall exercise the right to vote in respect of such equity shares.</p>
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None of the Directors, Key Managerial Personnel and their relatives are, in any way, interested or concerned, financially or otherwise, in the resolution as set out at Item No. 10 of this Notice except to the extent of the options that may be granted to them under the Scheme in the manner as may be permissible under the relevant provisions of the Companies Act, 2013, rules made there under and SBEB Regulations.

INFORMATION PURSUANT TO SECRETARIAL STANDARD- 2 AND REGULATION 36(3) OF THE SEBI (LODR) REGULATIONS, 2015

Details of the Directors proposed to be appointed/ re-appointed and the terms of proposed remuneration of the Directors are given herein below for item No. 2, 3 and 4:

Sr. No.	Particulars	Mr. Ajay Anand	Mr. Sanjay Anand
1.	Director Identification Number	00373248	01367853
2.	Designation / Category of Directorship	Managing Director	Whole Time Director
3.	Age	69 years	62 years
4.	Date of Birth	16/10/1954	28/11/1961
5.	Qualification	Graduate	Graduate
6.	Brief Resume & Experience/ Expertise	Brief resume with experience and nature of expertise of Mr. Ajay Anand is stated in the Explanatory Statement of Item No. 3 to this Notice and in the Directors Profile section and List of Skills & expertise section of the Corporate Governance Report.	Brief resume with experience and nature of expertise of Mr. Sanjay Anand is stated in the Explanatory Statement of Item No. 4 to this Notice and in the Directors Profile section and List of Skills & expertise section of the Corporate Governance Report.
7.	Terms and conditions of appointment or re-appointment	Appointment for a period of 5 years commencing from April 01, 2025 to March 31, 2030, subject to the approval of the Members at the ensuing Annual General Meeting (AGM) of the Company, liable to retire by rotation.	Appointment for a period of 5 years commencing from April 01, 2025 to March 31, 2030, subject to the approval of the Members at the ensuing Annual General Meeting (AGM) of the Company, liable to retire by rotation.
8.	Date of first appointment on the Board	09/01/1985	01/12/2009
9.	Remuneration to be paid	As per the Explanatory Statement of Item No. 3 to this Notice	As per the Explanatory Statement of Item No. 4 to this Notice
10.	The last drawn remuneration	INR 68,61,600 /- for FY 2023-24	INR 38,40,000/- for FY 2023-24
11.	Shareholding in the Company including beneficial ownership as on date	78,67,206 (32.35%) Equity shares	8,81,026 (3.62%) Equity shares
12.	Relationship with Other Directors, Manager and other Key Managerial Personnel of the Company	Mr. Ajay Anand is brother of Mr. Sanjay Anand (Whole Time Director) and husband of Mrs. Rashmi Anand (Member of Promoter Group and Non-Executive Director).	Mr. Sanjay Anand is brother of Mr. Ajay Anand (Promoter and Managing Director) and brother-in-law of Mrs. Rashmi Anand (Member of Promoter Group and Non-Executive Director).
13.	The Number of Meetings of the	6/6	5/6

	Board attended during FY 2023-24		
14.	Directorships held in other companies as on March 31, 2024 (excluding Faze Three Limited)	i. Faze Three Autofab Limited ii. Instyle Investments Private Limited iii. Mats and More Private Limited	i. V R Woodart Limited ii. Mats and More Private Limited
15.	Resignation from listed entity, if any in the past three years	None	None
16.	Memberships / Chairmanship of Committees of other Companies as on March 31, 2024 (excluding Faze Three Limited)	<u>Faze Three Autofab Limited</u> i. Audit Committee (Member) ii. Stakeholders Relationship Committee (Member) iii. CSR Committee (Chairman)	<u>V R Woodart Limited</u> i. Audit Committee (Member) ii. Nomination and Remuneration Committee (Member) iii. Stakeholders Relationship Committee (Member)

By Order of the Board of Directors
For Faze Three Limited

Place: Mumbai
Date: September 04, 2024

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