

Date: 05/09/2024

To,  
The Manager,  
Listing Department,  
National Stock Exchange of India Limited  
Exchange Plaza, C-1, Block-G,  
Bandra-Kurla Complex, Bandra(E),  
Mumbai- 400 051

NSE SYMBOL: FONEBOX,

ISIN: INEQ4701019

Sub.: - Annual Report - Regulation 34 of the SEBI (LODR) Regulations, 2015.

Dear Sir,

As required under Regulation 30 and Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith the Annual Report of the Company for the Financial Year 2023-24 along with the Notice convening the 4th Annual General Meeting scheduled to be held on Friday, September 27, 2024 at 02:00 p.m. (IST), through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") in accordance with the relevant Circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India.

You are requested to kindly take the above information on your record.

For, Fonebox Retail Limited



Charmi Shah  
Company Secretary  
Membership No: A61029

# UNVEILING THE NEXT

**FONEBOX**  
*Unbox Happiness!*

**FONEBOX RETAIL LIMITED**

**ANNUAL REPORT 2023-24**

 **fonebook**

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## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS**

MANISHBHAI GIRISHBHAI PATEL	CHAIRMAN & DIRECTOR
AMITKUMAR GOPALBHAI PATEL	MANAGING DIRECTOR
PARTH LALLUBHAI DESAI	DIRECTOR & CHIEF FINANCIAL OFFICER
JIGNESHKUMAR DASHRATHLAL PAREKH	WHOLE-TIME DIRECTOR (UP TO 20.07.2024)
JAYKUMAR DEEPAKBHAI KHATNANI	INDEPENDENT DIRECTOR
BHAVISHA KUNAL CHAUHAN	INDEPENDENT DIRECTOR
AAYUSH KAMLESHBHAI SHAH	INDEPENDENT DIRECTOR
SUMITKUMAR HARESHBHAI PATEL	INDEPENDENT DIRECTOR
CHARMI VANSH SHAH	COMPANY SECRETARY

### **STATUTORY AUDITOR**

#### **R K KOTADIYA & CO LLP**

(FORMERLY KNOWN AS R K KOTADIYA & CO)

CHARTERED ACCOUNTANTS

806, SATYAM 64 OPP. GUJARAT HIGH COURT, S G ROAD, AHMEDABAD, AHMEDABAD,  
GUJARAT, INDIA, 380061

### **SECRETARIAL AUDITOR**

#### **P H KESHARIYA & ASSOCIATES**

PRACTISING COMPANY SECRETARY

203, ARIHANT COMPLEX, NEAR BHARAT TRAVELS, VIRANI CHOWK, TAGORE ROAD,  
RAJKOT-360001, GUJARAT.

### **INTERNAL AUDITOR**

### **BANKERS**

#### **GOVIND TATOSANIYA & ASSOCIATES**

CHARTERED ACCOUNTANTS

AT & POST: KUMBHALMER, TA: PALANPUR,  
DIST: BANASKANTHA, GUJARAT-385510.

#### **HDFC BANK**

### **REGISTERED OFFICE**

702/703, 7TH FLOOR, SATYAM 64 OPP. GUJARAT HIGH COURT, S G ROAD, AHMEDABAD,  
AHMEDABAD, GUJARAT, INDIA, 380061

### **REGISTRAR AND SHARE TRANSFER AGENT**

#### **KFIN TECHNOLOGIES LIMITED**

SEBI REGISTRATION NUMBER: INR000000221

REG. OFFICE: SELENIUM TOWER-B, PLOT 31 & 32, GACHIBOWLI, FINANCIAL DISTRICT,  
NANAKRAMGUDA, SERILINGAMPALLY, HYDERABAD – 500 032, TELANGANA, INDIA.

PHONE: 040-79611000

E-MAIL: [MURALI.M@KFINTECH.COM](mailto:MURALI.M@KFINTECH.COM)

RAJKOT-360001, GUJARAT.

**ISIN: INE0Q4701019**

**NSE SYMBOL: FONEBOX**

**NOTICE OF 4<sup>TH</sup> ANNUAL GENERAL MEETING**

NOTICE is hereby given that the 04<sup>TH</sup> (FOURTH) Annual General Meeting of the Members of FONEBOX RETAIL LIMITED will be held on Friday, September 27, 2024 at 02.00 P.M. through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") to transact the following businesses.

**ORDINARY BUSINESS:**

**1. TO CONSIDER AND ADOPT THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2024 ALONG WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON, IN THIS REGARD, TO PASS THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION:**

**"RESOLVED THAT** the Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2024, together with the Reports of the Board of Directors and the Auditors thereon, be and are hereby considered and adopted".

**2. TO CONSIDER APPOINTMENT OF MR. PARTH LALLUBHAI DESAI (DIN:01452248), WHO RETIRES BY ROTATION AND BEING ELIGIBLE, OFFER HIMSELF FOR RE-APPOINTMENT AND IN THIS REGARD, TO PASS THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION:**

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Parth Lallubhai Desai (DIN:01452248), Director of the Company retires by rotation and being eligible offered himself for reappointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

**SPECIAL BUSINESS:**

**3. GIVE APPROVAL FOR RELATED PARTY TRANSACTIONS:**

**To consider and if thought fit, to pass with or without modification(s), the following resolutions an Ordinary Resolution**

**"RESOLVED THAT** pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 (including any statutory modification(s) or enactment thereof for the time being in force), and applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, subject to such approvals, consents, sanctions, and permission as may be necessary consent of the members of the Company be and is hereby accorded to the Company to carry out the transactions with the following related parties and for the maximum amounts as mentioned herein for the year 2024-25."

Sr. no.	Name of the Related Party	Nature of transactions as per section 188 of the Companies Act, 2013.	Name of the Director/KMP who is related and nature of their relationship.	Minimum amount of transaction to be entered into (Amount in Lakhs)
1	Phonewale Limited	purchase/ sale/ trade/ dealing, etc. on such material terms and conditions	Mr. Manishbhai Girishbhai Patel, Director is member and director in Phonewale Limited and Mr. Amitkumar Gopalbhai Patel, Managing Director of the Company is Member of Phonewale Limited.	100 Crore
2	Paradise Markcom Private Limited	purchase/ sale/ trade/ dealing, etc. on such material terms and conditions	Mr. Parth Lallubhai Desai, Director & Chief Financial Officer of the Company is director and member of Paradise Markcom Private Limited.	100 Crore

**"RESOLVED FURTHER THAT** the transaction may be entered into subject to the Compliance of criteria mentioned under the Companies Act, 2013 and rules made there under, SEBI (LODR) Regulations, 2015 as amended from time to time and in compliance with all other applicable provisions thereto."

**"RESOLVED FURTHER THAT** any directors be and is/are authorized to perform and execute all such acts, deeds, matters and things including delegate such authority as may be deemed necessary or expedient to give effect to this resolution and for the matters connected thereto."

**Registered Office :702/703, 7<sup>TH</sup> Floor, Satyam 64  
Opp. Gujarat High Court, SG Road Ahmedabad  
380061 Gujarat, India**

**By order of the Board of Directors  
For, Fonebox Retail Limited**

Sd/-

**Amitkumar Gopalbhai Patel  
Managing Director  
DIN: 08472609**

**Date: 29/08/2024  
Place: Ahmedabad**

**NOTES:**

1. The Ministry of Corporate Affairs has allowed conducting Annual General Meeting through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and dispensed the personal presence of the members at the meeting vide its Circular No. 14/2020 dated 8th April 2020, Circular No. 17/2020 dated 13th April 2020, Circular No. 20/2020 dated 5th May 2020 Circular No. 2/2022 dated 05th May 2022 and Circular No 10/2022 dated 28th December 2022 and all other relevant circulars issued from time to time (collectively referred to as "MCA Circulars"), prescribing the procedures and manner of conducting the Annual General Meeting through VC/OAVM and accordingly physical attendance of the Members to the AGM Venue is not required. In terms of the said circulars, the 4<sup>th</sup> Annual General Meeting (AGM) of the members will be held through VC/OAVM. Hence, members can attend and participate in the AGM through VC/ OAVM only. The detailed procedure for participation in the meeting through VC/OAVM is as per procedure prescribed and available at the Company's website [www.fonebook.in](http://www.fonebook.in).
2. 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 MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM/EGM. For this purpose, the Company has appointed KFin Technologies Limited, Registrars and Transfer Agents for facilitating voting through electronic means along with Video Conferencing (VC) / Other Audio-Visual Means (OAVM) facility for the 4<sup>th</sup> Annual general Meeting, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM/AGM will be provided by KFin Technologies Limited.  
  
The helpline number regarding any query / assistance for participation in the AGM through VC/OAVM is 1-800-309-4001 or write to them at [evoting@kfintech.com](mailto:evoting@kfintech.com) / [inward.ris@kfintech.com](mailto:inward.ris@kfintech.com).
3. Information regarding appointment/re-appointment of Directors under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 along with guidelines under Secretarial Standard on General Meetings (SS-2) is annexed hereto.
4. Explanatory statement pursuant to Section 102 of the Companies Act, 2013 in respect of Special Business under Item Nos. 3 is annexed hereto.
5. Pursuant to the Circular No. 14/2020 dated 8th April 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
7. In line with the aforesaid Ministry of Corporate Affairs (MCA) Circulars the Notice of AGM along with Annual Report for F.Y. 2023-2024 is being sent only through electronic mode to those Members

whose email addresses are registered with the Company/ Depositories. Member may note that Notice and Annual Report for F.Y. 2023-2024 has been uploaded on the website of the Company at [www.fonebook.in](http://www.fonebook.in). The Notice can also be accessed from the websites of the Stock Exchange i.e. National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) and the AGM Notice is also available on the website of KFin Technologies Limited (agency for providing the Remote e-Voting facility) i.e. <https://evoting.kfintech.com>.

8. The Register of Members and Share Transfer Book of the Company shall remain closed from **Saturday, 21<sup>st</sup> September, 2024 to Friday, 27<sup>th</sup> September, 2024** (both days inclusive) for the purpose of Annual General Meeting.
9. The voting rights of the members shall be in proportion to their shares of the paid-up equity capital in the Company as on cut- off date i.e. **Friday, 20<sup>th</sup> September 2024**.
10. Members seeking any information with regard to accounts are requested to write to the Company at least 10 days before the meeting so as to enable the management to keep the information ready.
11. Submission of PAN: The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market for transaction of transfer, transmission/ transposition, and deletion of name of deceased holder. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to the Registrar & Share Transfer Agent, KFin Technologies Limited.
12. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection at the Registered Office of the Company on all working days of the Company between 11:00 a.m. and 1:00 p.m. up to the date of the Annual General Meeting.
13. Investor Grievance Portal maintained by Registrar and Transfer Agent (RTA).  
Members are hereby notified that our RTA, KFin Technologies Limited, based on the SEBI Circular (SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/72) dated June 08, 2023, have created an online application which can be accessed at <https://ris.kfintech.com/default.aspx> > Investor Services > Investor Support.

Members are required to register / signup, using the Name, PAN, Mobile and email ID. Post registration, user can login via OTP and execute activities like, raising Service Request, Query, Complaints, check for status, KYC details, Dividend, Interest, Redemptions, eMeeting and eVoting Details.

Quick link to access the signup page: <https://kprism.kfintech.com/signup>

**INSTRUCTIONS FOR THE MEMBERS FOR ATTENDING THE AGM THROUGH VIDEO CONFERENCE("VC") / OTHER AUDIO-VISUAL MODE("OAVM")**

i. Attending the AGM: Members will be able to attend the AGM through VC/ OAVM or view the live webcast of AGM at <https://emeetings.kfintech.com/> by using their remote e-voting login credentials and selecting the 'Event' for Company's AGM. 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. Further, Members can also use the OTP based login for logging into the e-voting system.

ii. Members are encouraged to join the Meeting through Laptops with Google Chrome for better experience.

iii. Further Members will be required to allow Camera, if any, and hence use Internet with a good speed to avoid any disturbance during the meeting.

iv. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

v. Facility of joining the AGM through VC/OAVM shall be open 15 minutes before the time scheduled for the AGM.

vi. Those Members who register themselves as speaker will only be allowed to express views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers and time for each speaker depending upon the availability of time for the AGM.

vii. Submission of Questions/queries prior to AGM:

Members desiring any additional information with regard to Accounts/ Annual Reports or has any question or query are requested to write to the Company Secretary on the Company's investor email-id i.e., [cs@fonebox.in](mailto:cs@fonebox.in) at least 10 days before the date of the AGM, so as to enable the Management to keep the information ready. Please note that, member's questions will be answered only if they continue to hold the shares as of cut-off date.

Alternatively, shareholders holding shares as on cut-off date may also visit <https://evoting.kfintech.com/> and click on the tab "Post Your Queries Here" to post their queries/ views/questions in the window provided, by mentioning their name, demat account number/folio number, email ID, mobile number. The window shall be activated during the remote e-voting period and shall be closed 24 hours before the time fixed for the AGM.

viii. Speaker Registration before AGM: Shareholders who wish to register as speakers at the AGM are requested to visit [https://emeetings.kfintech.com](https://emeetings.kfintech.com/) register themselves between 24<sup>th</sup> September, 2024 (10.00 Hours IST) and 25<sup>th</sup> September, 2024 (17.00 Hours IST).

ix. Facility of joining the AGM through VC/OAVM shall be available for 1000 members on first come first served basis. However, the participation of members holding 2% or more shares, promoters, Institutional Investors, directors, key managerial personnel, chairpersons of Audit Committee,



Stakeholders Relationship Committee, Nomination, Remuneration and compensation Committee and Auditors are not restricted on first come first serve basis.

x. Members who need technical assistance before or during the AGM, can contact KFintech at <https://evoting.kfintech.com/>.

xi. Corporate members intending to send their authorised representatives to attend the Annual General Meeting through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") pursuant to the provisions of Section 113 of the Companies Act, 2013 are requested to send a certified copy of the relevant Board Resolution to the Company at email id [cs@fonebox.in](mailto:cs@fonebox.in) and the Scrutinizer at email id [gunjankotecha3@gmail.com](mailto:gunjankotecha3@gmail.com) with a copy marked to [evoting@kfintech.com](mailto:evoting@kfintech.com).

### INSTRUCTIONS FOR E-VOTING

#### Procedure for remote e-voting:

i. In compliance with the provisions of Section 108 of the Companies Act, 2013 ("the Act"), read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations and in terms of SEBI vide circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated 09 December,2020 in relation to e-Voting Facility Provided by Listed Entities, the Members are provided with the facility to cast their vote electronically, through the e-Voting services provided by KFintech, on all the resolutions set forth in this Notice. The instructions for e-Voting are given herein below.

ii. However, in pursuant to SEBI circular no. SEBI/HO/ CFD/CMD/CIR/P/2020/242 dated 09 December 2020 on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process.

iii. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.

iv. The voting period begins on Tuesday, 24th September, 2024 at 09:00 A.M. and ends on Thursday, 26th September, 2024 at 05:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Friday, 20th September, 2024 may cast their vote electronically. The e-voting module shall be disabled by KFin Technologies Limited for voting thereafter.

v. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on Friday, 20th September, 2024, the cut-off date.

vi. Any person holding shares in demat/physical form and nonindividual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@Kfintech.com](mailto:evoting@Kfintech.com).

However, if he / she is already registered with KFintech for remote e-Voting then he /she can use his

/ her existing User ID and password for casting the vote.

vii. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under “Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.”

**THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:**

Step 1 : Access to Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2 : Access to KFinTech e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

Step 3 : Access to join virtual meetings(AGM) of the Company on KFin system to participate AGM and vote at the AGM.

**Step 1 : Access to Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.**

Login method for remote e-Voting for Individual shareholders holding securities in demat mode.

Type of Shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<p><b>1. Existing user who have opted for Easi / Easiest</b></p> <p>I. Visit URL: <a href="https://web.cdslindia.com/myeasitoken/Home/Login">https://web.cdslindia.com/myeasitoken/Home/Login</a> or URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></p> <p>II. Click on New System Myeasi</p> <p>III. Login with your registered user id and password.</p> <p>IV. The user will see the e-Voting Menu. The Menu will have links of ESP i.e., KFinTech e-Voting portal.</p> <p>V. Click on e-Voting service provider name to cast your vote.</p> <p><b>2. User not registered for Easi/Easiest</b></p> <p>I. Option to register is available at <a href="https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration">https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration</a></p> <p>II. Proceed with completing the required fields.</p> <p>III. Follow the steps given in point 1</p> <p><b>3. Alternatively, by directly accessing the e-Voting website of CDSL</b></p> <p>I. Visit URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></p> <p>II. Provide your demat Account Number and PAN No.</p> <p>III. System will authenticate user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account.</p> <p>IV. After successful authentication, user will be provided links for the respective ESP, i.e., KFinTech where the e- Voting is in progress.</p>

<p>Individual Shareholders holding securities in demat mode with NSDL Depository</p>	<p><b>1. User already registered for IDeAS facility:</b>  I. Visit URL: <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a>  II. Click on the “Beneficial Owner” icon under “Login” under ‘IDeAS’ section.  III. On the new page, enter User ID and Password. Post successful authentication, click on “Access to e-Voting”  IV. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period.</p> <p><b>2. User not registered for IDeAS e-Services</b>  I. To register click on link: <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a>  II. Select “Register Online for IDeAS” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>  III. Proceed with completing the required fields.  IV. Follow steps given in point no.1</p> <p><b>3. Alternatively by directly accessing the e-Voting website of NSDL</b>  I. Open URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a>  II. Click on the icon “Login” which is available under ‘Shareholder/Member’ section.  III. A new screen will open. You will have to enter your User ID (i.e., your sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen.  IV. Post successful authentication, you will be requested to select the name of the Company and the e-Voting Service Provider name, i.e., KFintech.  V. On successful selection, you will be redirected to KFintech e-Voting page for casting your vote during the remote e-Voting period.</p>
<p>Individual Shareholders (holding securities in demat mode) login through their website of Depository Participants (DP)</p>	<p>I. You can also login using the login credentials of your demat account through your DP registered with NSDL / CDSL for e-Voting facility.  II. Once logged-in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature.  III. Click on options available against company name or e-Voting service provider – KFintech and you will be redirected to e-Voting website of KFintech for casting your vote during the remote e-Voting period without any further authentication.</p>

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

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

Login type	Helpdesk details
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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 21 09911
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at : 022 - 4886 7000 and 022 - 2499 7000

**Step 2** : Access to KFintech e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

Login method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

Members whose email IDs are registered with the Company/Depository Participants (s), will receive an email from KFintech which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:

- i. Launch internet browser by typing the URL: <https://emeetings.kfintech.com/>
- ii. Enter the login credentials (i.e., User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting the vote.
- iii. After entering these details appropriately, click on "LOGIN".
- iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- v. You need to login again with the new credentials.
- vi. On successful login, the system will prompt you to select the "EVENT" i.e., 'Fonebox Retail Limited -Annual General Meeting' and click on "Submit".
- vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/ AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

- viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.
- ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
- x. You may then cast your vote by selecting an appropriate option and click on “Submit”.
- xi. A confirmation box will be displayed. Click “OK” to confirm else “CANCEL” to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
- xii. Corporate/Institutional Members (i.e., other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to cast its vote through remote e-voting. Together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email id [gunjankotecha3@gmail.com](mailto:gunjankotecha3@gmail.com) with a copy marked to [evoting@kfintech.com](mailto:evoting@kfintech.com) . The scanned image of the above-mentioned documents should be in the naming format “Fonebox Retail Limited”.

**Step 3** : Access to join virtual meetings(AGM) of the Company on KFin system to participate AGM and vote at the AGM.

Instructions for all the shareholders, including Individual, other than Individual and Physical, for attending the AGM of the Company through VC/ OAVM and e-Voting during the meeting.

- i. Member will be provided with a facility to attend the AGM through VC / OAVM platform provided by KFinTech. Members may access the same at <https://emeetings.kfintech.com/> by using the e-voting login credentials provided in the email received from the Company/KFinTech. After logging in, click on the Video Conference tab and select the EVENT of the Company. Click on the video symbol and accept the meeting etiquettes to join the meeting. 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 above.
- ii. Facility for joining AGM through VC/ OAVM shall open at least 15 minutes before the commencement of the Meeting.
- iii. Members are encouraged to join the Meeting through Laptops/ Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22.
- iv. Members will be required to grant access to the webcam to enable VC / OAVM. Further, Members 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.
- v. As the AGM is being conducted through VC / OAVM, for the smooth conduct of proceedings of the AGM, Members are encouraged to express their views / send their queries in advance mentioning their name, demat account number / folio number and email id.

vi. The Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM. E-voting during the AGM is integrated with the VC / OAVM platform. The Members may click on the voting icon displayed on the screen to cast their votes.

vii. A Member can opt for only a single mode of voting i.e., through Remote e-voting or voting at the AGM. If a Member cast votes by both modes, then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.

viii. Facility of joining the AGM through VC / OAVM shall be available for at least 1000 members on first come first served basis.

ix. Institutional Members are encouraged to attend and vote at the AGM through VC / OAVM.

#### **OTHER INSTRUCTIONS:**

**I. Speaker Registration:** The Members who wish to speak during the meeting may register themselves as speakers for the AGM to express their views. They can visit <https://emeetings.kfintech.com/> and login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Speaker Registration' which will be open from 24<sup>th</sup> September, 2024 (10.00 Hours IST) to 25<sup>th</sup> September, 2024 (17.00 Hours IST). Members shall be provided a 'queue number' before the meeting. The Company reserves the right to restrict the speakers at the AGM to only those Members who have registered themselves, depending on the availability of time for the AGM.

**II. Post your Question:** The Members who wish to post their questions prior to the meeting can do the same by visiting <https://emeetings.kfintech.com/>. Please login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Post Your Question' option which will be open from 24<sup>th</sup> September, 2024 (10.00 Hours IST) to 25<sup>th</sup> September, 2024 (17.00 Hours IST).

**III.** In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.kfintech.com> (KFintech Website) or contact [evoting@kfintech.com](mailto:evoting@kfintech.com) / [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) or call KFintech's toll free No. 1-800-309-4001 for any further clarifications.

**IV.** The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Friday, 20<sup>th</sup> September, 2024 (End of Day), being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.

**V.** In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting, he/she may obtain the User ID and Password in the manner as mentioned below:

If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.kfintech.com/>, the member may click "Forgot Password" and enter Folio No. or DP ID, Client ID and PAN to generate a password.

- i. Members who may require any technical assistance or support before or during the AGM are requested to contact KFintech at toll free number 1-800-309-4001 or write to them at [evoting@kfintech.com](mailto:evoting@kfintech.com) / [inward.ris@kfintech.com](mailto:inward.ris@kfintech.com).

VI. The results of the electronic voting shall be submitted to the Stock Exchanges after the AGM. The results along with the Scrutinizer's Report, shall also be placed on the website of the Company.

VII. The Company has appointed M/s. G K Kotecha & Associates, Company Secretaries represented by Mr. Gunjan Kishorbhai Kotecha (Membership No. FCS 12216 and COP No. 19653) as the Scrutinizer to conduct the voting process (e-voting and poll) in a fair and transparent manner.

VIII. The Scrutinizer shall, within a period not exceeding 2 working days from the conclusion of the Annual General Meeting unlock the votes in the presence of at least two (2) witnesses, not in the employment of the Company and make a Scrutinizer's Report containing the details with respect to votes cast in favour, against, neutral/ abstained, shall submit the Report to the Chairman of the Company.

IX. Subject to the receipt of sufficient votes, the resolution shall be deemed to be passed at the 04th Annual General Meeting of the Company scheduled to be held on Friday, 27<sup>th</sup> September, 2024, the results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.fonebox.in](http://www.fonebox.in) along with the website of the Stock Exchange i.e. National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) and on the website of KFintech at <https://evoting.kfintech.com> within 2 working days of conclusion of the Annual General Meeting.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like 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 **Company/RTA email id**.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective **Depository Participant (DP)**.
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective **Depository Participant (DP)** which is mandatory while e-Voting & joining virtual meetings through Depository.

## ANNEXURE TO THE NOTICE

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

## ITEM NO.3:

## GIVE APPROVAL FOR RELATED PARTY TRANSACTIONS

Pursuant to the amended Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), the threshold limit for determination of material Related Party Transactions is the 10% (ten percent) or more of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity and such material related party transactions exceeding the limits, would require prior approval of Members by means of an ordinary resolution.

In view of the changes in the threshold for determining the related party transactions that require prior shareholder approval and considering the fact that the list of related parties will change dynamically with no action on the part of the Company and to facilitate seamless contracting and rendering/availing of product and services between the Company and “related parties”, the Company seeks the approval of the shareholders to approve entering into contracts/arrangements within the thresholds and conditions mentioned in the resolution. All the contracts/arrangements and the transactions with “related parties” are reviewed and approved by the Audit Committee.

The details of transactions that require approval are given below:

Sr No.	Description	Particulars	Particulars
1	Name of the related party	Paradise Markcom Private Limited	Phonewale Limited
2	Nature of Relationship [including nature of its interest (financial or otherwise)]	Enterprise over which KMP of the Company have Control	Enterprise over which KMP of the Company have Control
3	Type of proposed transaction	To purchase/ sale/ trade/ dealing, etc. (“Related Party Transactions”) on such material terms and conditions	To purchase/sale trade/dealing, etc. (“Related Party Transactions”) on such material terms and conditions
4	Nature, duration/tenure, material terms, monetary value and particulars of contract/ arrangement	To purchase/sale, trade/dealing, etc. (“Related Party Transactions”) on such material terms and conditions up to Rs. 100 Crore in any Financial Year	To purchase/sale, trade/dealing, etc. (“Related Party Transactions”) on such material terms and conditions up to Rs. 100 Crore in any Financial Year
5	Particulars of the proposed transaction	Same as Sr. No. 03	Same as Sr. No. 03



6	Tenure of the transaction	For the period of 1 year and may be extended/renewed for further years.	For the period of 1 year and may be extended/renewed for further years.
7	Value of the proposed transaction	Not more than Rs. 100 Crore in a single Financial Year	Not more than Rs. 100 Crore in a single Financial Year
8	Justification of the proposed transaction	The Company is entering into related party transaction in respect of business support services. The proposed transaction will be in the ordinary course of business and on the arm's length basis.	The Company is entering into related party transaction in respect of business support services. The proposed transaction will be in the ordinary course of business and on the arm's length basis.
9	Details of the valuation report or external party report (if any) enclosed with the Notice	All contracts with related party defined as per Section 2(76) of the Act are reviewed for arm's length testing internally and by Audit Committee.	All contracts with related party defined as per Section 2(76) of the Act are reviewed for arm's length testing internally and by Audit Committee.
10	Name of the Director or Key Managerial Personnel, who is related.	Mr. Parth Lallubhai Desai, Director & Chief Financial Officer.	Mr. Manishbhai Girishbhai Patel, Chairman & Director and Mr. Amitkumar Gopalbhai Patel, Managing Director.
11	All other relevant information	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice.	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice.

None of the Directors or Key Managerial Personnel of the Company or its respective relatives, other than as mentioned above, is concerned or interested, in the resolution.

The said transaction(s)/contract(s)/arrangement(s) have been recommended by the Audit Committee and Board of Directors of the Company for consideration and approval by the Members.

It is pertinent to note that no related party shall vote to approve this Resolution whether the entity is a related party to the particular transaction or not.

**Registered Office :702/703, 7<sup>TH</sup> Floor, Satyam 64  
Opp. Gujarat High Court, SG Road Ahmedabad  
380061 Gujarat, India**

**By order of the Board of Directors  
For, Fonebox Retail Limited**

**Date: 29/08/2024  
Place: Ahmedabad**

Sd/-  
**Amitkumar Gopalbhai Patel  
Managing Director  
DIN: 08472609**

**DETAILS OF THE DIRECTOR(S) SEEKING APPOINTMENT /RE-APPOINTMENT  
[PERSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND  
DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL  
STANDARD 2 ON GENERAL MEETINGS]**

Name of Director	Mr. Parth Lallubhai Desai
DIN	01452248
Age & Date of Birth	42 Years & 22 <sup>nd</sup> August, 1982
Designation	Executive Director
Nationality	Indian
Date of first appointment on the Board	24/03/2023
Relationship with other Directors	No
Qualifications	Bachelor of Business Administration (BBA)
Experience	15 Years
Brief profile including expertise	He holds the degree of Bachelor of Business Administration (BBA) from the Maharaja Sayajirao University of Baroda and completed training programme on Marketing of Rural Products from Entrepreneurship Development Institute of India. He is having more than 15 years of experience in Retail Distribution Industry.
Terms and conditions for Re-appointment	Re-appointment as an Executive Director, liable to retire by rotation.
Board Membership in other Companies as on March 31, 2024	Paradise Markcom Private Limited
Resignations, if any, from listed entities (in india) in past three years	Nil
Chairman / Member of the Committee of the Board of directors in other companies as on March 31, 2023	Nil
Number of Shares held in the Company as on March 31, 2024	12,12,750
Number of Meetings of the Board attended during the year	17(Seventeen)

**NOTICE**

**Fonebox Retail Limited**  
(Formerly known as **Fonebox Retail Private Limited**)

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Details of Remuneration	Nil
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**Registered Office :702/703, 7<sup>TH</sup> Floor, Satyam 64  
Opp. Gujarat High Court, SG Road Ahmedabad  
380061 Gujarat, India**

**By order of the Board of Directors  
For, Fonebox Retail Limited**

Sd/-

**Date: 29/08/2024  
Place: Ahmedabad**

**Amitkumar Gopalbhai Patel  
Managing Director  
DIN: 08472609**

**BOARD'S REPORT***Dear Members,*

With an immense pleasure, the Board of Directors of your Company "Fonebox Retail Limited" (Formerly known as Fonebox Retail Private Limited) are delighted to present the 4<sup>th</sup> Annual Report on business and operations of the Company along with the Audited Financial Statements for the Financial Year ended March 31, 2024 in compliance with the provisions of the Companies Act, 2013, the rules and regulations framed thereunder ("Act").

**1. FINANCIAL HIGHLIGHTS OF THE COMPANY FOR THE FINANCIAL YEAR 2023-24:**

The financial performance of our Company for the financial year ended 31<sup>st</sup> March, 2024 is summarized as below:

Particulars	(Amount in Lakh)	
	31.03.2024	31.03.2023
Total Revenue	29,760.52	19,625.74
Other Income	5.99	0.35
<b>Total Income</b>	<b>29,766.51</b>	<b>19,626.09</b>
<b>Profit (Loss) before Depreciation and Tax</b>	<b>559.81</b>	<b>289.02</b>
Less: Depreciation and amortisation	82.65	69.03
Less: Extraordinary/Exceptional Items	-	<b>0.25</b>
<b>Profit / (Loss) before Tax</b>	<b>477.16</b>	<b>219.74</b>
<b>Less: Tax Expenses</b>		
- Current Tax	137.36	60.54
- Deferred Tax	(3.71)	-0.67
- MAT Credit Entitlement	0.35	-
<b>Profit / (Loss) After Tax, Extra-Ordinary &amp; Exceptional Items</b>	<b>343.16</b>	<b>159.87</b>
Earnings Per Share (EPS):		
- Basic	4.51	4.57
- Diluted	4.51	4.57

During the year under review, our Company has achieved its best financial performance in terms of revenue as well as net profits since its incorporation.

**2. REVIEW OF BUSINESS OPERATIONS AND COMPANY AFFAIRS:**

The Company continues to grow with its overall performance in the financial year 2023-24. The Directors are pleased to report that the company has generated total income of Rs. 29,766.51 Lakh as compared to Rs. 19,626.09 Lakh for the previous financial year. Likewise, profit before and after depreciation was Rs. 559.81 Lakh and Rs. 477.16 Lakh respectively as compared to Rs. 289.02 Lakh and Rs. 219.74 Lakh respectively for the previous financial year. During the year under review, your company recorded net Profit after taxation of Rs. 343.16 Lakh as compared Rs. 159.87 Lakh for the previous year.

Your Company looks forward to strengthen its operations by curtailing expenditure, aggressive domestic marketing etc. This would further help the Company to improve its results and profitability.

**3. CHANGE IN THE NATURE OF BUSINESS, IF ANY:**

There are no material changes in the nature of business during the year under review.

**4. MATERIAL CHANGES AND COMMITMENTS:**

There are no material changes and commitments, affecting the financial position of the Company which occurred between the end of financial year to which the financial statements related and the date of this Board's Report.

**5. FIXED DEPOSITS:**

The Company has not invited / accepted any deposits from public within the meaning of the provisions of Section 73 and 76 of the Companies Act, 2013 and the Rules framed there under and the Directives issued by the Reserve Bank of India. Hence, the requirement for furnishing details of Deposits covered under Chapter V and details of Deposits which are not in compliance with the requirements of Chapter V of the Companies Act, 2013 is not applicable.

**6. SHARE CAPITAL:****AUTHORISED SHARE CAPITAL**

The Authorised Equity Share capital of the Company as on March 31, 2024 is Rs. 10,50,00,000 [ Rupees Ten Crores Fifty Lakh Only] consisting of 1,05,00,000/- Equity Shares of Rs. 10.00 each.

**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL**

The issued, subscribed and paid-up equity shares capital of the Company as on March 31, 2024 is Rs. 10,26,00,000 [ Rupees Ten Crores Twenty Six Lakh Only] consisting of 1,02,60,000/- Equity Shares of Rs. 10.00 each.

During the year under review, the Company has neither issued shares with differential voting rights nor has granted any stock options or sweat equity. The Company has no scheme or provision of money for purchase of its own shares. Hence the details under rule 16 (4) of Companies (Share Capital and Debentures) Rules, 2014 are not required to be disclosed.

As on March 31, 2024, none of the Directors of the Company hold instruments convertible into Equity Shares of the Company.

**CHANGES IN SHARE CAPITAL DURING THE YEAR**

During the year under review, the allotments made by the company are as under:

The Company, on April 22, 2023, has allotted 5,50,000 Equity Shares of face value of Rs.10 each in the ratio of 55:50 i.e. 55 (Fifty-Five) Equity Shares for every 50 (Fifty) Equity Shares through Right Issue at an Issue Price of Rs.100/- including premium of Rs.90/-, aggregating to Rs. 550.00/- Lakh.

The Company, on September 04, 2023 has allotted 63,00,000 Equity Shares of face value of Rs.10 each in the ratio of 6:1 i.e. 6 (Six) Fully paid-up Equity Shares for every 1 (One) Equity Shares through Bonus Issue to its existing shareholders aggregating to Rs.630.00/- Lakh.

Further, pursuant to Initial Public Offerings, the Company has issued 29,10,000 Equity Shares of face value of Rs.10 each for cash at an issue price of Rs.70/- per Equity Share including premium of Rs.60/- and allotted as on January 31, 2024 aggregating to Rs.2037.00/- Lakhs.

## **7. INITIAL PUBLIC OFFER (“IPO”) AND LISTING:**

The Board of Directors of the Company, at its meeting held on 05<sup>th</sup> September, 2023, had proposed the Initial Public Offer not exceeding 29,10,000 Equity Shares in consultation with the Merchant Banker as per the provisions of Section 23(1) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder read with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and the Securities Contracts (Regulation) Rules, 1957. The members of the Company had also approved the said proposal of Board of Directors at their Extra-Ordinary General Meeting held on 07<sup>th</sup> September, 2023.

Further, pursuant to the authority granted by the members of the Company, the Board of Directors of the Company had appointed M/s. Beeline Capital Advisors Private Limited, as Lead Manager & Underwriter, M/s. KFin Technologies Limited as the Registrar to the Issue & Share Transfers Agent and M/s. Spreadx Securities Private Limited as Market Maker for the proposed Public Issue of 29,10,000 Equity Shares of face value of Rs. 10/- each for cash at an issue price of Rs.70/- per equity share (including a share premium of Rs. 60/- per equity share) aggregating to Rs. 2037.00/- Lakhs. The Company had applied to National Stock Exchange of India Limited (“NSE”) for In-Principle approval for listing of its equity shares on the Emerge Platform of NSE and the NSE, vide its letter dated 11<sup>th</sup> January, 2024, has granted its In-Principle Approval for the same to the Company.

Then company had filed Prospectus with the Registrar of Companies 30<sup>th</sup> January, 2024. The Public Issue was opened for subscription on Thursday, January 25, 2024 and closed on Tuesday, January 30, 2024. The Basis of Allotment was finalized by Company, Registrar to the Issue and Merchant Banker in consultation with the NSE on 31<sup>st</sup> January, 2024. The Company has applied for listing of its total 1,02,60,000 equity shares to NSE and received approval of NSE vide its letter dated 01<sup>st</sup> February, 2024. The trading of equity shares of the Company commenced on 02<sup>nd</sup> February, 2024 on NSE. Presently, the Equity Shares of the Company are listed on the SME Emerge Platform of NSE.

## **8. UTILIZATION OF IPO PROCEEDS:**

The Company raised funds of Rs. 2037.00 Lakhs through Initial Public Offering (“IPO”). The gross proceeds of IPO have been utilized in the manner as proposed in the Prospectus, the details of which are as under:

Sr. No.	Objects of the Issue as per Prospectus dated 30 <sup>th</sup> January, 2024	Original allocation (₹ in Lakhs)	Funds utilized as on 31.03.2024 (₹ in Lakhs)
1.	To Meet Working Capital Requirements	1350.00	1350.00
2.	General corporate purposes	505.00	505.00
3.	Public Issue Expenses	182.00	182.00

Further, there is no deviation/variation in the utilization of gross proceeds of IPO.

#### 9. ANNUAL RETURN:

Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, the Annual Return of the Company for the financial year ended 31<sup>st</sup> March, 2024, is available on the Company's website and can be downloaded from the weblink <https://www.fonebook.in/annual-reports/>.

#### 10. EXPANSION PLAN:

Post successful launching of Initial Public Offerings, the Company is opening new retail stores in Maharashtra in phased manner and the Company is making required disclosures, from time to time, in this regard to National Stock Exchange of India Limited ("NSE") where the shares of the Company are listed.

Further, the Board of Directors at its meeting held on 19<sup>th</sup> July, 2024, has considered and approved the proposal to open approximately 25 new retail stores of the Company in the State of Maharashtra under the brand names "FONEBOOK", "FONEBOX" and "MY MOBLIE" for operating the retail business of mobile phones, its related accessories, consumer durable electronic goods, information technology products and other electronic goods etc.

The required disclosures in this regard have already been made to NSE.

#### 11. CORPORATE GOVERNANCE REPORT:

The Corporate Governance Report, as required under Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), is not applicable to our Company due to the exemption provided under Regulation 15(2) of SEBI Listing Regulations. The shares of the Company are listed on SME Emerge Platform of National Stock Exchange of India Limited.

#### 12. ANNUAL SECRETARIAL COMPLIANCE REPORT:

The Annual Secretarial Compliance Report, as required under Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") read with SEBI Circular No.: CIR/CFD/CMD1/27/2019 dated 8th February, 2019, is not applicable to our Company due to the exemption provided under Regulation 15(2) of SEBI Listing Regulations. The

shares of the Company are listed on SME Emerge Platform of National Stock Exchange of India Limited.

### 13. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

#### COMPOSITION OF THE BOARD

The Company, being a SME Listed Entity, has proper constitution of Board of Directors. As on 31<sup>st</sup> March, 2024, our Board comprised of 8 members, consisting of 4 Executive Directors (Promoters) including Chairman of the Company and 4 Non-Executive Independent Directors (Non-Promoter) and none of the directors are disqualified under from being appointed as directors in terms of section 164 of the Companies Act, 2013. The Independent Directors constitute 1/2 of the total Board's strength. 1 out of 8 members is a Women Director.

The following is the Board Composition as on 31<sup>st</sup> March, 2024:

Sr. No.	Name	Designation	Date of appointment	Date of resignation
1.	Manishbhai Girishbhai Patel (DIN: 01436792)	Chairman & Director	03-02-2021	-
2.	Amitkumar Gopalbhai Patel (DIN: 08472609)	Managing Director	03-02-2021	-
3.	Parth Lallubhai Desai (DIN: 01452248)	Director	24-03-2023	-
4.	Jigneshkumar Dashrathlal Parekh (DIN: 10118869)	Whole Time Director	18-04-2023	20-07-2024
5.	Jaykumar Deepakbhai Khatnani (DIN: 08659187)	Independent Director	19-06-2023	-
6.	Bhavisha Kunal Chauhan (DIN: 10092854)	Independent Director	19-06-2023	-
7.	Aayush Kamleshbhai Shah (DIN: 10149440)	Independent Director	19-06-2023	-
8.	Sumitkumar Hareshbhai Patel (DIN: 10105361)	Independent Director	19-06-2023	-

#### DIRECTORS APPOINTED/REGULARIZED/RESIGNED DURING THE FINANCIAL YEAR 2023-24:



DIN	Name of Director	Date of Appointment /Regularization /Resignation	Changes during the Year
10118869	Jigneshkumar Dashrathlal Parekh	18-04-2023	Appointed as Additional Whole Time Director
08659187	Jaykumar Deepakbhai Khatnani	19-06-2023	Appointed as Additional Independent Director
10092854	Bhavisha Kunal Chauhan	19-06-2023	Appointed as Additional Independent Director
10149440	Aayush Kamleshbhai Shah	19-06-2023	Appointed as Additional Independent Director
10105361	Sumitkumar Hareshbhai Patel	19-06-2023	Appointed as Additional Independent Director
01436792	Manishbhai Girishbhai Patel*	13-07-2023	Appointed as Chairman & Executive Director
08472609	Amitkumar Gopalbhai Patel*	13-07-2023	Appointed as Managing Director
10118869	Jigneshkumar Dashrathlal Parekh	13-07-2023	Regularized as Whole Time Director
01452248	Parth Lallubhai Desai	13-07-2023	Regularized as Executive Director
08659187	Jaykumar Deepakbhai Khatnani	13-07-2023	Regularized as Non-Executive Independent Director
10092854	Bhavisha Kunal Chauhan	13-07-2023	Regularized as Non-Executive Independent Director
10149440	Aayush Kamleshbhai Shah	13-07-2023	Regularized as Non-Executive Independent Director
10105361	Sumitkumar Hareshbhai Patel	13-07-2023	Regularized as Non-Executive Independent Director

\* Re-designated pursuant to the Special Resolution passed by the members of the Company at their Extra Ordinary General Meeting held on 13<sup>th</sup> July, 2023.

#### RETIREMENT BY ROTATION AND SUBSEQUENT RE-APPOINTMENT

In accordance with the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the Articles of

Association of the Company, Mr. Parth Lallubhai Desai (DIN: 01452248), Executive Director of the Company, is liable to retire by rotation at the ensuing Annual General Meeting ("AGM") and being eligible, offers himself for re-appointment. The resolution seeking shareholders' approval for re-appointment forms part of the Notice.

#### KEY MANAGERIAL PERSONNEL

Pursuant to Section 203 of the Companies Act, 2013, the following are the Key Managerial Personnel of the Company as on 31<sup>st</sup> March, 2024:

Sr. No.	Name	Designation
1.	Manishbhai Girishbhai Patel	Chairman & Director
2.	Amitkumar Gopalbhai Patel	Managing Director
3.	Jigneshkumar Dashrathlal Parekh	Whole Time Director
4.	Parth Lallubhai Desai	Chief Financial Officer
5.	Charmi Vansh Shah	Company Secretary & Compliance Officer

#### KEY MANAGERIAL PERSONNEL APPOINTED/RESIGNED DURING THE FINANCIAL YEAR 2023-24

During the year under review, the following changes have been taken place in the Key Managerial Personnel of the Company.

Name of Director	Date of Appointment /Resignation	Changes during the Year
Jigar Lallubhai Desai	22-04-2023	Resigned as Chief Financial Officer
Parth Lallubhai Desai	22-04-2023	Appointed as Chief Financial officer
Urvashi Gandhi	06-06-2023	Appointed as Company Secretary
Urvashi Gandhi	08-07-2023	Resigned as Company Secretary
Amitkumar Gopalbhai Patel	13-07-2023	Appointed as Managing Director

Jigneshkumar Dashrathlal Parekh	13-07-2023	Appointed as Whole Time Director
Charmi Vansh Shah	25-08-2023	Appointed as Company Secretary

#### 14. DECLARATION OF INDEPENDENCE FROM INDEPENDENT DIRECTORS:

The Company has received the Declarations from all the Independent Directors of the Company confirming that they meet the criteria of Independence as prescribed under the provisions of Section 149(6) of the Companies Act, 2013 read with the Code for Independent Directors prescribed in Schedule IV of the Companies Act, 2013 and Regulations 16(1)(b) and 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

#### 15. PERFORMANCE EVALUATION OF THE BOARD OF DIRECTORS:

The Nomination and Remuneration Policy of the Company empowers the Nomination and Remuneration Committee of the Company to formulate a process for evaluating the performance of Directors, Committees of the Board and the Board as a whole.

Pursuant to the provisions of Section 178 of the Companies Act, 2013 read with Rule 8(4) of the Companies (Accounts) Rules, 2014 and Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the process for evaluation of the performance of the Board of Directors as a whole, its Committees and Individual Directors was initiated by the Nomination and Remuneration Committee.

The Board has carried out the performance evaluation of its own, individual directors and its Committees including Chairman of the Board on the basis of attendance, contribution, experience, expertise, performance of specific duties & obligations and various criteria as recommended by the Nomination and Remuneration Committee of the Company and has also evaluated the fulfillment of independence criteria of the Independent Directors as specified under Section 149(6) of the Companies Act, 2013 and under Regulation 25(8) of the SEBI Listing Regulations and their independence from the management. The Directors expressed their satisfaction over the evaluation process.

#### 16. BOARD MEETINGS:

During the year under review, total 18(Eighteen) meeting of Board of Director were held. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013. The requisite quorum was present at all the meetings. The dates of the Board Meeting and attendance of each Directors are as follows. In respect of the meetings, proper notices were given and the proceedings were recorded and signed Minutes Book maintained.

Total Number of Board Meeting held during the year 2023-24 are as under;

Sr. No.	Date of Meeting	Total No. of directors as on	No. of directors
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		the date of the Meeting	attended the meeting
1.	14-04-2023	3	2
2.	22-04-2023	4	4
3.	01-06-2023	4	4
4.	06-06-2023	4	4
5.	19-06-2023	4	4
6.	20-06-2023	8	8
7.	12-07-2023	8	7
8.	13-07-2023	8	7
9.	25-08-2023	8	7
10.	04-09-2023	8	6
11.	05-09-2023	8	6
12.	07-09-2023	8	6
13.	18-10-2023	8	7
14.	06-01-2024	8	8
15.	25-01-2024	8	8
16.	31-01-2024	8	8
17.	12-03-2024	8	8
18.	18-03-2024	8	8

**17. DIRECTORS RESPONSIBILITY STATEMENT:**

In accordance with the provisions of Section 134(3) (c) of the Companies Act 2013, your directors confirm that:

- a. In the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2024, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2024 and of the profit /loss of the Company for the financial year ended 31<sup>st</sup> March, 2024;
- c. The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. The directors had prepared the annual accounts on a going concern basis;
- e. the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

- f. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 18. COMMITTEES OF THE BOARD:

The Board Committees are formed with the approval of Board of Directors of the Company ("Board") for dealing with specific areas and activities. These Committees have their respective Charters and play an important role in the overall management and governance of the Company. The Board Committees meet at regular intervals and take necessary steps to perform their duties entrusted by the Board.

The Board of Directors of the Company has constituted the following Committees:

- A. Audit Committee
- B. Nomination and Remuneration Committee
- C. Stakeholders Relationship Committee

### A. AUDIT COMMITTEE

In compliance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has constituted the Audit Committee of the Company on 13<sup>th</sup> July, 2023.

The composition of Audit Committee is in alignment with the provisions of Section 177 of the Companies Act, 2013 read with the Rules issued thereunder and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As on 31<sup>st</sup> March, 2024, the Audit Committee comprised of 3 Non-Executive Independent Directors and 1 Executive Director. All the Members of the Committee are well qualified, experienced and possesses required knowledge of accounts, finance and other comparable experience and background. The Company Secretary of the Company acts as the Secretary to the Committee.

### Meetings of Audit Committee

During the financial year ended as on 31<sup>st</sup> March, 2024, total 5 (Five) meetings of members of the Audit Committee were held i.e. on 25.08.2023, 05.09.2023, 18.10.2023, 06.01.2024, 12.03.2024. The maximum gap between two meetings was not more than 120 days. The requisite quorum was present at all the Meetings.

### Composition of Audit Committee as on 31<sup>st</sup> March, 2024

Name	Designation	Position on Committee
Mr. Aayush Kamleshbhai Shah	Independent Director	Chairperson
Ms. Bhavisha Kunal Chauhan	Independent Director	Member
Mr. Jaykumar Deepakbhai Khatnani	Independent Director	Member

Mr. Parth Lallubhai Desai	Executive Director	Member
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**The terms of reference of the Audit Committee are broadly as follows:**

- i. The recommendation for the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor, their remuneration and fixation of terms of appointment of the Auditors of the Company
- ii. Review and monitor the auditors' independence and performance, and effectiveness of audit process
- iii. Examination of financial statement and auditors' report thereon including interim financial result before submission to the Board of Directors for approval with particular reference to
  - a. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by management
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. compliance with listing and other legal requirements relating to financial statements
  - f. Disclosure of any related party transactions
  - g. Qualifications in the draft audit report.
- iv. Approval or any subsequent modification of transactions of the Company with related party; Provided that the Audit Committee may make omnibus approval for related party transactions proposed to be entered in to by the Company subject to such conditions provided under the Companies Act 2013 or any subsequent modification(s) or amendment (s) thereof; Provided further that in case of Transaction, other than transactions referred to in section 188 of Companies Act 2013 or any subsequent modification(s) or amendment(s) thereof, and where Audit Committee does not approve the transaction, it shall make its recommendations to the Board:

Provided also that in case any transaction involving any amount not exceeding one crore rupees is entered into by a director or officer of the company without obtaining the approval of the Audit Committee and it is not ratified by the Audit Committee within three months from the date of the transaction, such Transaction shall be voidable at the option of the Audit Committee;
- v. Reviewing, with the management, and monitoring the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- vi. Scrutiny of Inter-corporate loans and investments;

- vii. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;
- viii. Reviewing and discussing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- ix. To review the functioning of the Whistle Blower mechanism, in case the same is existing;
- x. Valuation of undertakings or assets of the company, where ever it is necessary;
- xi. Evaluation of internal financial controls and risk management systems and reviewing with the management, performance of statutory & internal auditors, and adequacy of the internal control systems;
- xii. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit and discussion with internal auditors of any significant findings and follow up there on;
- xiii. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post- audit discussion to ascertain any area of concern;
- xiv. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- xv. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- xvi. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate; and
- xvii. Carrying out any other function as assigned by the Board of Directors & other matters as may be required by any statutory, contractual or other regulatory requirements to be attended to by such committee from time to time.

## **B. NOMINATION AND REMUNERATION COMMITTEE**

In compliance with Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company ("Board") has constituted the Nomination and Remuneration Committee of the Company on 13<sup>th</sup> July, 2023.

As on 31<sup>st</sup> March, 2024, the Committee comprises of 4 Non-Executive Independent Directors.

### **Nomination and Remuneration Policy**

In accordance with the provisions of Section 178 of the Companies Act, 2013, the Board of Directors of the Company has adopted the Nomination and Remuneration Policy (the "Policy") on the recommendations of the Nomination and Remuneration Committee of the Board. The Policy, inter alia, provides guidelines for the appointment, removal and remuneration of the Directors, Key Managerial Personnel and Senior Management Personnel of the Company.

The said policy can be downloaded from the weblink: <https://www.fonebook.in/policies/>

### Meeting of Nomination and Remuneration Committee

During the financial year ended 31<sup>st</sup> March, 2024, the Nomination and Remuneration committee met one time on 04<sup>th</sup> September, 2023. The requisite quorum was present at the meeting.

### Composition of Nomination and Remuneration Committee as on 31<sup>st</sup> March, 2024

Name	Designation	Position on Committee
Mr. Jaykumar Deepakbhai Khatnani	Independent Director	Chairperson
Mr. Aayush Kamleshbhai Shah	Independent Director	Member
Ms. Bhavisha Kunal Chauhan	Independent Director	Member
Mr. Jaykumar Deepakbhai Khatnani	Independent Director	Member

### The role of Nomination and Remuneration Committee, inter alia, includes:

- i. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- ii. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a) Use the services of an external agencies, if required;
  - b) Consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c) Consider the time commitments of the candidates.
- iii. Formulation of criteria for evaluation of Independent Directors and the Board;
- iv. To ensure that the relationship of remuneration to performance is clear and meets appropriate performance Benchmarks; and
- v. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal and shall carry out evaluation of every director 's performance;
- vi. Recommend to the board, all remuneration, in whatever form, payable to senior management;
- vii. Such other matters as may be required by any statutory, contractual or other regulatory



requirements to be attended to by such committee from time to time.

### C. STAKEHOLDERS RELATIONSHIP COMMITTEE

In compliance of provisions of Section 178 of Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has constituted Stakeholders Relationship Committee on 13<sup>th</sup> July, 2023 and also re-constituted the said Committee on 19<sup>th</sup> July, 2024.

As on 31<sup>st</sup> March, 2024, the Committee comprised of 3 Non-Executive Independent Directors and 1 Executive Director.

#### Meetings of Committee

During the financial year ended 31st March, 2024, the Stakeholders Relationship Committee met once (1) on 04<sup>th</sup> September, 2023. The requisite quorum was present at the said Meeting:

#### Composition of the Stakeholders Relationship Committee

Name	Designation	Position on Committee
Ms. Bhavisha Kunal Chauhan	Independent Director	Chairperson
Mr. Jaykumar Deepakbhai Khatnani	Independent Director	Member
Mr. Sumitkumar Hareshbhai Patel	Independent Director	Member
Mr. Jigneshkumar Dashrathlal Parekh	Whole Time Director	Member

#### Changes in composition of the committee after the completion of financial year 2023-2024

Name of Director	Date of Appointment/ Resignation	Changes after the Year
Mr. Jigneshkumar Dashrathlal Parekh	20/07/2024	Resigned as Member of the Committee

#### The Terms of Reference of the Stakeholders' Relationship Committee are broadly as follows:

- i. Resolving the grievances of the security holders of the company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;
- ii. Review of measures taken for effective exercise of voting rights by shareholders;
- iii. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- iv. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company;
- v. Such other matters as may be required by any statutory, contractual or other regulatory requirements to be attended to by such committee from time to time.

**Redressal of Investor Grievances**

The Company and its Registrar and Share Transfer Agent addresses the complaints and grievances of its shareholders expeditiously and replies are sent within reasonable/prescribed time. The Company endeavors to implement suggestions as and when received from the investors.

**19. PARTICULARS OF EMPLOYEES PURSUANT TO SEC. 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGEMENT PERSONNEL) RULES, 2014:**

The information, required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms an integral part of this Report, is attached as **Annexure – A**.

During the year under review, none of the employees of the Company, are in receipt of remuneration exceeding Rs. 1,02,00,000/- per annum if employed for whole of the year or Rs. 8,50,000/- per month if employed for part of the year or are in receipt of remuneration in excess of remuneration drawn by the Managing Director of the Company and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.

The statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, will be provided upon request. In terms of Section 136 of the Companies Act, 2013, the Report and accounts are being sent to the members and others entitled thereto, excluding the information on employee's particulars which is available for inspection by members at the registered office of the Company during business hours on working days of the Company. If any member is interested in obtaining a copy of the same, such member may write to the Company Secretary in this regard.

**20. PARTICULARS OF LOANS, GUARANTEES & INVESTMENTS:**

During the year under review, the Company has neither granted any loans nor given any guarantees nor provided any securities nor made any investments under the provisions of Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014.

**21. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

The related party transaction/s, if any, was/ were entered into during the financial year was/were on arm's length basis and were in the ordinary course of Company's business.

Related party transactions under Accounting Standard – AS 18 are disclosed in the notes (Note No.31) to the financial statements. Prescribed Form No. AOC-2 pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 is furnished as **Annexure -B** to this report.

**22. TRANSFER TO RESERVES:**

During the year under review, the company has not transferred any amount to any reserves. For detailed information refer note 2 of notes forming part of balance sheet.

**23. DIVIDEND:**

With a view to conserve the resources for future prospect and growth of the Company, the Board of Directors of the Company have not recommended any dividend on equity shares for the financial year ended 31<sup>st</sup> March, 2024.

**24. LISTING FEES:**

The Company's equity shares are listed on SME Emerge Platform of National Stock Exchange of India Limited ("NSE"). The Company has paid the annual listing fees for the financial year 2023-24 and 2024-25 to NSE within the prescribed time.

**25. INDEPENDENT DIRECTOR'S MEETING:**

As per Schedule IV of the Companies Act, 2013 and the Rules framed thereunder read with Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors of the Company shall hold at least one meeting in a year, without the attendance of Non-Independent Directors. At such meetings, the Independent Directors shall (i) review the performance of Non-Independent Directors and the Board as a whole, (ii) review the performance of Chairman of the Company after considering views of Executives and Non-Executive Directors and (iii) assess the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

During the year under review, meeting of the Independent Directors of the Company was held on 25<sup>th</sup> January, 2024. All the Independent Directors were present at the said meeting.

**26. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGOING:**

There is no technology absorption and foreign exchange earnings and or outgo during the year under review.

**27. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES:**

The Company does not have any Subsidiary / Joint Venture or Associate Company during the financial year.

**28. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:**

Your Company has in place adequate internal control system commensurate with the size of its operations to ensure the systematic and efficient conduct of its business, including adherence to

Company's policies and procedures, the safeguarding of its assets, the prevention and early detection of frauds and errors, the accuracy and completeness of the accounting records and timely preparation of reliable financial information.

Internal control systems comprising of policies and procedures are designed to ensure sound management of your Company's operations, safe keeping of its assets, optimal utilization of resources, reliability of its financial information and compliance.

### **29. PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:**

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 (the 'Act') and Rules made thereunder, the Company has a policy and framework for employees (all female employees on the rolls of the Company including those on deputation, contract, temporary, part time or working as consultants are covered under this Policy) to report sexual harassment cases at workplace.

The Company has constituted an Internal Complaints Committee to redress complaints relating to sexual harassment. During the year under review, no complaints with allegations of sexual harassment were received by the Company. The said policy is available on the website of the Company i.e. [www.fonebook.in](http://www.fonebook.in) and can be downloaded from the weblink: <https://www.fonebook.in/policies/>.

### **30. CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY:**

The provisions of Section 135 of the Companies Act, 2013 and Rules made thereunder are not applicable to our Company for the financial year ended 31st March, 2023.

### **31. VIGIL MECHANISM:**

The Company has established a Vigil Mechanism which also incorporates a Whistle Blower Policy ("this Policy") in compliance with the provisions of Section 177(9) & (10) of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This Policy has been formulated with a view to provide a mechanism/channel for employees, directors, senior management personnel and other stakeholders of the Company to raise concerns of suspected frauds, any violations of legal/regulatory requirements or Code of Conduct, incorrect or misrepresentation of any financial statements and reports or any instance(s) of leakage/suspected leakage of UPSI etc.

This mechanism also provides for adequate safeguards against victimization of employees, directors, senior management personnel and other stakeholders who avail this mechanism and also provide for direct access to the chairperson of the audit committee of the Company in appropriate or exceptional cases.

The said policy is available on the website of the Company i.e. [www.fonebook.in](http://www.fonebook.in) and can be downloaded from the weblink: <https://www.fonebook.in/policies/>. During the year under review, no complaints has been received from employee or concerned person in respect of unethical behavior.

**32. RISK MANAGEMENT POLICY:**

The Company has a Risk Management Policy and Procedures for identification, assessment, management, minimization & monitoring of risks and also laid down the procedure to inform the Board members about the risk assessment and minimization procedures. It has identified various potential risks including but not limited to business dynamics, operations, liquidity, market/industry, human resource etc. The Company is periodically reviewing the risks and their identification, assessment, monitoring and mitigation procedures.

The main objective of this Policy is to achieve sustainable business growth with stability and to promote a proactive approach in identifying, reporting, evaluating and resolving the risks associated with the Company's business which, in the opinion of the Board, may threaten the growth, stability and existence of the Company.

The Risk Management Policy may be accessed on the Company's website i.e. [www.fonebook.in](http://www.fonebook.in) and can be downloaded from the weblink: <https://www.fonebook.in/policies/>.

**33. AUDITORS:****A. Statutory Auditor**

M/S. R K KOTADIYA & CO LLP ("the Firm") FRN: 136884W/W100931 Chartered Accountants, has confirmed their eligibility under Section 141 of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) for appointment as Auditors of the Company.

**B. Cost Auditor**

The Company is not required to maintain Cost Records as specified under Section 148(1) of the Companies Act, 2013 and therefore, the appointment of Cost Auditor for undertaking audit of cost records of the Company is not applicable.

**C. Secretarial Auditor**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. P.H. Keshariya & Associates, Practicing Company Secretaries, Ahmedabad, to conduct secretarial audit of the Company for the financial year ended 31<sup>st</sup> March, 2024.

The Secretarial Audit Report in Form No. MR-3 for the financial year ended 31<sup>st</sup> March, 2024 forms an integral part of this report and is annexed as **Annexure – C**.

The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2024 does not contain any qualifications, reservations or adverse remarks.

**D. Internal Auditor**

Pursuant to the provisions of Section 138 of the Companies Act, 2013 and the Companies (Accounts) Rules, 2014, the Board of Directors of the Company has appointed M/s. Govind Tatosaniya & Associates (FRN: 139322W), Chartered Accountants as the Internal Auditors of the Company for the financial year ended 31<sup>st</sup> March, 2024.

**34. AUDITORS REPORT & BOARD'S COMMENTS ON QUALIFICATIONS:**

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

**35. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS:**

The Statutory Auditors, Secretarial Auditors and Internal Auditors of the Company have not reported any instances of fraud to the Audit Committee or to the Board of Directors of the Company under Section 143(12) of the Companies Act, 2013 including rules made thereunder.

**36. SECRETARIAL STANDARDS OF ICSI:**

The Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS - 1) and General Meetings (SS - 2) issued by The Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs from time to time and that such systems are adequate and operating effectively.

**37. DEMATERIALISATION OF EQUITY SHARES:**

As on 31<sup>st</sup> March, 2024, all the equity shares of the Company are in dematerialized form with either of the Depositories viz. NSDL and CDSL. The ISIN allotted to the Company is INEQ4701019.

**38. CHANGE OF NAME:**

Consequent upon the conversion of the Company from Private Limited company into Public Limited company, the name of the Company has been changed to " Fonebox Retail Limited" with effect from 12<sup>th</sup> July, 2023 and fresh Certificate of Incorporation dated 12<sup>th</sup> July, 2023 has also been issued by the Registrar of Companies, Ahmedabad.

**39. APPOINTMENT OF RTA:**

M/s KFin Technologies Limited is a Registrar and Share Transfer Agent of the company in order to compliance with the provision of Companies Act, 2013. All the equity shareholders of the Company have DEMAT their Equity Shares as on 31<sup>st</sup> March, 2024 and none of shareholders holding shares in physical form.

**40. INDUSTRIAL RELATION:**

Industrial relations remained cordial throughout the year. The Board wishes to place on record their wholehearted appreciation for co-operation tendered by all the employees in this direction.

**41. AFFIRMATION AND DISCLOSURE:**

All the Members of the Board and Senior Management Personnel of the Company have affirmed their compliance with the Code of Conduct as on 31<sup>st</sup> March, 2024 and a declaration to that effect, signed by the Chairman & Managing Director, forms an integral part of this report and is annexed as **Annexure – D**.

**42. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

The Management Discussion and Analysis Report, on the Company's current working and future outlook, as required under Regulation 34(2)(e) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is provided in a separate section and forms an integral part of this Report and is annexed as **Annexure – E**.

**43. CERTIFICATE FROM CFO:**

In terms of Regulation 17(8) read with Part B of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Certificate jointly signed by Chief Financial Officer of the Company has been obtained is annexed as **Annexure-F**.

**44. OTHER STATUTORY DISCLOSURE:**

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

1. There was no revision of financial statements during the financial year under review.
2. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
3. None of the equity shares of the Directors of the Company are pledged with any banks or financial institutions.
4. As there is no unclaimed and unpaid dividend or any other amount which needs to transfer to Investor Education and Protection Fund (IEPF) during the year under review, hence provisions of Section 125(2) of the Act is not applicable to the Company.
5. There is no application made or proceedings pending against the Company under the insolvency and Bankruptcy Code, 2016 during the year under review.
6. There are no such instances during the year where the difference noted between the amount of the valuation done at the time of one-time settlement and the valuation done while taking a loan from the Banks or Financial Institutions.

**45. ACKNOWLEDGEMENT & APPRECIATION:**

Your directors express their deep sense of gratitude to the Banks, Financial Institutions, Central and State Governments, Statutory and other Regulatory Authorities for their continued guidance, assistance and co-operation.

The Board also places on record its sincere appreciation to its Management, Directors, Employees, its valued customers, Business Associates, vendors, service providers, its shareholders, investors for their persistent faith, unstinted commitment, co-operation, and support and look forward to their continued support in all our future endeavors to pursue excellence and grow year after year.

**By order of Board of Directors,  
FOR FONEBOX RETAIL LIMITED  
(Formerly known as Fonebox Retail Private Limited)**

**Date: 29/08/2024**  
**Place: Ahmedabad**

Sd/-  
**Manishbhai G. Patel**  
**Chairman & Director**  
**[DIN: 01436792]**

Sd/-  
**Amitkumar G. Patel**  
**Managing Director**  
**[DIN: 08472609]**



**ANNEXURE-A**  
**PARTICULARS OF EMPLOYEES**

[Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

- The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year and the percentage increase in remuneration of each director, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year 2023-24.

(Amount in Lakh)				
Sr No.	Name of Director/KMP and Designation	Remuneration of Director/ KMP /Sitting fees for F.Y. 2023-24 (in Rs. lakhs)	% increase in Remuneration in the F.Y. 2023-24	Ratio of Remuneration of each Director/to median remuneration of employees
1	Mr. Manishbhai Girishbhai Patel Chairman & Director	NIL	NIL	N.A.
2	Mr. Amitkumar Gopalbhai Patel Managing Director	NIL	NIL	N.A.
3	Mr. Jigneshkumar Dashrathlhal Parekh Whole Time Director (Appointed w.e.f. 18.04.2024 and Resigned w.e.f. 20.07.2024)	NIL	NIL	N.A.
4	Mr. Parth Lallubhai Desai Director & Chief Financial Officer	NIL	NIL	N.A.
5	Mr. Jaykumar Deepakbhai Khatnani Non-Executive Independent Director (Appointed w.e.f 19.06.2023)	0.51	NIL	N.A.
6	Mrs. Bhavisha Kunal Chauhan Non-Executive Independent Director (Appointed w.e.f 19.06.2023)	0.51	NIL	N.A.
7	Mr. Aayush Kamleshbhai Shah Non-Executive Independent Director (Appointed w.e.f 19.06.2023)	0.51	NIL	N.A.
8	Mr. Sumitkumar Hareshbhai Patel Non-Executive Independent Director (Appointed w.e.f 19.06.2023)	0.51	NIL	N.A.
9	Mrs. Charmi Vansh Shah Company Secretary (Appointed w.e.f 25.08.2023)	3.36	NIL	1.27:1
10	Miss. Urvashi Jayeshbhai Gandhi Company Secretary (Resigned w.e.f 08.07.2023)	0.52	NIL	N.A.

2. The percentage increase in the median remuneration of employees in the financial year 2023-24 is 10%.
3. Number of permanent employees on the role of the Company as on 31<sup>st</sup> March, 2024: **92** Nos.
4. Average percentage increase made in the salaries of employees other than the managerial personnel in comparison of the last financial year is 11.19%.
5. There is no increase in the remuneration of Key Managerial personnel in comparison to the last financial year.
6. It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

**By order of Board of Directors,  
FOR FONEBOX RETAIL LIMITED  
(Formerly known as Fonebox Retail Private Limited)**

Sd/-

Sd/-

**Date: 29/08/2024  
Place: Ahmedabad**

**Manishbhai G. Patel  
Chairman & Director  
[DIN: 01436792]**

**Amitkumar G. Patel  
Managing Director  
[DIN: 08472609]**

## ANNEXURE-B

## Form No. AOC-2

## (Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

## 1. Details of contracts or arrangements or transactions not at arm's length basis

- a) Name(s) of the related party and nature of relationship: Not Applicable
- b) Nature of contracts/arrangements/transactions: None
- c) Duration of the contracts / arrangements/transactions: Not Applicable
- d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
- e) Justification for entering into such contracts or arrangements or transactions: Not Applicable
- f) Date of approval by the Board: Not Applicable
- g) Amount paid as advances, if any: None
- h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: Not Applicable

## 2. Details of material contracts or arrangement or transactions at arm's length basis

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/transactions	Duration of the contracts / arrangements /transactions	Salient terms of the contracts/ arrangements / transactions	Date(s) of approval by the Board, if any	Amount paid as advances , if any
1	Paradise Markcom Private Limited  - Directors / their Relatives are Directors or Promoters	Purchase/Sales	This is running contract/ arrangement	Terms and conditions of contract / arrangement are decided by negotiation which is mutually beneficial.	29-05-2024	No amount paid as advance
2	Phone Wale Limited - Directors / their Relatives are Directors or	Purchase/Sales	This is running contract/	Terms and conditions of contract /	29-05-2024	No amount paid as

	Promoters		arrangement	arrangement are decided by negotiation which is mutually beneficial.		advance
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**By order of Board of Directors,  
FOR FONEBOX RETAIL LIMITED  
(Formerly known as Fonebox Retail Private Limited)**

Sd/-

Sd/-

**Date: 29/08/2024  
Place: Ahmedabad**

**Manishbhai G. Patel  
Chairman & Director  
[DIN: 01436792]**

**Amitkumar G. Patel  
Managing Director  
[DIN: 08472609]**

**ANNEXURE-C**  
**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2024**  
**[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies**  
**(Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To  
The Members of  
FONEBOX RETAIL LIMITED  
CIN: L51909GJ2021PLC119941

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. FONEBOX RETAIL LIMITED, CIN: L51909GJ2021PLC119941, Formerly known as FONEBOX RETAIL PRIVATE LIMITED (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided to us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives whether electronically or otherwise during the conduct of secretarial audit we hereby report that in our opinion, the Company has, during the 'Audit Period' covering the financial year ended on March 31, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of :

- I The Companies Act, 2013 ('the Act') and the rules made there under;
- II The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- III The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- IV Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings. (Not Applicable to the extent of Overseas Direct Investment, External Commercial Borrowings as there were no reportable events during the financial year under review);
- V The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 –

- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 .
- c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
- d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equities), Regulations, 2021; [Not Applicable to the Company during Audit Period as there was no reportable event during the financial year under review.]
- e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not Applicable to the Company during Audit Period as there was no reportable event during the financial year under review.)
- h) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not Applicable to the Company during Audit Period as there was no reportable event during the financial year under review.)

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India; and
- (ii) The Listing Agreements entered into by the Company with Stock Exchange in India read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the fact that e forms, i.e. MGT 7, DIR 12 and MGT 14 required to be filed under the Act has been filed after due with payment of applicable additional fee.

**We further report that :**

During the audit period under review there were no specific laws which were exclusively applicable to the Company / Industry. However, having regard to the Compliance system prevailing in the Company and on examination of relevant documents and records on test - check basis, the Company has complied with the material aspects of the following significant laws applicable to the Company ;

- a) Indian Stamp Act, 1899
- b) Negotiable Instruments Act, 1881
- c) Consumer Protection Act, 2019
- d) Sale of Goods Act 1930

**We further report that :**

- a) The Board of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of

Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

- b) Adequate Notice was given to all Directors to schedule the Board Meetings, Agenda and detailed Notes on Agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the Agenda Items before the Meeting and for meaningful participation at the Meeting.
- c) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes

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

**We further report that** during the audit period, the following event/action taken place which have major bearing on the affairs of the Company in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

- a. Conversion of the Company from Private Limited company into Public Limited company as Fonebox Retail Limited with effect from 12th July, 2023, as per fresh Certificate of Incorporation CIN U51909GJ2021PLC119941 Dated 12th July, 2023 issued by the Hon. Registrar of Companies, Gujarat.
- b. Allotment of 5,50,000 Equity Shares of face value of Rs.10 each through Right Issue at an Issue Price of Rs.100/- including premium of Rs.90/- in the ratio of 55:50 i.e.55 (Fifty-Five) New Equity Shares for every 50(Fifty) Equity Shares, aggregating to Rs. 550.00 Lakh on April 22, 2023
- c. Allotment of 63,00,000 Equity Shares of face value of Rs.10 each through Bonus Issue to its existing shareholders in the ratio of 6:1 i.e. 6 (Six) Fully paid-up Equity Shares for every 1 (One) Equity Shares, aggregating to Rs. 630.00 Lakh on September 04, 2023
- d. The Company has made Initial Public Offer of 29,10,000 Equity shares of Rs. 10/- each at a price of 70/- per share (including premium of Rs. 60/-) for cash through Red Herring Prospectus dated 30th day of January, 2024. The IPO remained open for subscription from Thursday, January 25, 2024 and closed on Tuesday, January 30, 2024. Pursuant to the same, the equity shares of the Company were listed on the SME EMERGE Platform of NSE Limited w.e.f February 02, 2024.

We further report that the compliance by the Company of applicable financial laws, rules, regulations, guidelines, notifications, circulars, directives including but not limited to direct and indirect tax laws, Accounting Standards etc. have not been reviewed in our Audit, since the same is subject to review by designated professionals during the course of statutory financial audit.

We further report that, other than the above, there were no other instances of :

- a. Public / Right / Preferential Issue of securities;
- b. Redemption / Buy Back of Securities;
- c. Merger / Amalgamation / Reconstruction etc.;
- d. Foreign technical Collaborations

**For, P H Keshariya & Associates**  
**Company Secretaries**

Sd/-

**CS Pratik Keshariya**

**Proprietor**

**FCS : 5713 CP: 4283**

**Peer Review No. 2548/2022**

**UDIN :F005713F001041374**

**Date : 29.08.2024**

**Place : Rajkot**

**Note :** This report is to be read with our letter of even date which is annexed as Annexure – A and forms an integral part of this report.



**Annexure – A**

To,  
The Members of  
FONEBOX RETAIL LIMITED  
[Formerly known as Fonebox Retail Private Limited ]  
CIN: L51909GJ2021PLC119941

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

**Management Responsibility**

1) Maintenance of secretarial records and compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards etc. are the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on Our audit.

**Secretarial Auditor's Responsibility**

- 2) Our responsibility is to express an opinion, after limited examination adopted procedures, on the secretarial records of the Company;
- 3) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices that We have followed provides a reasonable basis for Our opinion;
- 4) Wherever required, We have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc;

**Disclaimer**

- 5) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company; and
- 6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For, P H Keshariya & Associates**  
**Company Secretaries**

Sd/-

**CS Pratik Keshariya**  
**Proprietor**  
**FCS : 5713 CP: 4283**  
**Peer Review No. 2548/2022**  
**UDIN : F005713F001041374**  
**Date : 29.08.2024**  
**Place: Rajkot**

**ANNEXURE-D**

**DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT**  
**[Regulation 34(3) read with Schedule V (D) of the SEBI**  
**(Listing Obligations and Disclosure Requirements) Regulations, 2015]**

Pursuant to Schedule V(D) read with Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I do hereby declare that, all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Conduct of Board of Directors and Senior Management Personnel for the financial year ended March 31, 2024 as required under Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**By order of Board of Directors,**  
**FOR FONEBOX RETAIL LIMITED**  
**(Formerly known as Fonebox Retail Private Limited)**

Sd/-

**Manishbhai G. Patel**  
**Chairman & Director**  
**[DIN: 01436792]**

Sd/-

**Amitkumar G. Patel**  
**Managing Director**  
**[DIN: 08472609]**

**Date: 29/05/2024**  
**Place: Ahmedabad**

**ANNEXURE-E**  
**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**  
**[Pursuant to Regulation 34(2)(e) and Schedule V of the SEBI**  
**(Listing Obligations and Disclosure Requirements) Regulations, 2015]**

Your Directors are pleased to present the "Management Discussion and Analysis Report" for the financial year ended 31<sup>st</sup> March, 2024.

**A. BUSINESS OVERVIEW OF THE COMPANY FONEBOX RETAIL LIMITED**

Fonebox Retail Limited is engaged in multi-brand retail selling of Smart Phones and allied accessories from manufacturers like Vivo, Apple, Samsung, Oppo, Realme, Nokia, Narzo, Redmi, Motorola. The company is engaged in multi-brand retail selling of consumer durable home appliances like Laptop, Smart TVs, Air Conditioners, Fridges, etc. from brands like TCL, Haier, Lloyd, Daikin, Voltas, Mi, Realme, OnePlus.

Further, the company operates its retail business with multiple brands. The company have a portfolio of retail stores with different brands. The company had initially started its business operations with brand "Fonebox", for company owned stores as well as franchise stores. Further, the company have acquired famous mobilephone retail store brands such as "Fonebook" and "My Mobile" vide Business Purchase agreements from their respective owners in the year 2021.

The Company has well experienced and knowledgeable Directors, Key Management Personnel, Accounts team and Sales & Marketing team which are the backbone of Company's growth. The Company's retail stores are offering discounts, incentives, schemes etc. from time to time to increase revenue and profitability. The business of the Company is operating in varieties of franchise model considering win-win situations for Company as well as Franchise Partners. The Company has always tried its best to maintain the trust of its stakeholders including customers and is continuously making its best efforts to increase the turnover and profit of the Company.

The Company continues to grow with its overall performance in the financial year 2023-24. During the year, the company has generated total income of Rs. 29,766.51 Lakh as compared to Rs. 19,626.09 Lakh for the previous financial year. Likewise, profit before and after depreciation was Rs. 559.81 Lakh and Rs. 477.16 Lakh respectively as compared to Rs. 289.02 Lakh and Rs. 219.74 Lakh respectively for the previous financial year. During the year under review, the company recorded Net Profit after taxation of Rs. 343.16 Lakh as compared Rs. 159.87 Lakh for the previous year.

Business Model of the company comprised of two models:

a) **Sale through Owned Stores (COCO Model):** Under this model, the company sale mobile handsets, mobile accessories and other consumer durable home appliances through its owned stores. The company as on 31<sup>st</sup> March, 2024 owns and operates 36 stores strategically located in high-traffic areas across State of Gujarat. These stores serve as hubs for showcasing the latest smart phones, providing hands-on experiences, and delivering top-notch customer services. Our company directly operates its outlets or facilities. The company is responsible for all aspects of the operation, including staffing, management, maintenance, and overall business strategy.

b) **Sale through Franchise Branch Stores (FOCO Model):** As on 31<sup>st</sup> March, 2024, the company sale mobile handsets, mobile accessories and consumer durable home appliances through 127 franchise retail outlets. All of 127 franchises, are operating on FOCO model. Under FOCO model, the company gives its brand name to the franchise at a pre-agreed franchise fee for a period of one to five years. In FOCO Model, the company earn 1% of the total turnover achieved by respective franchises, where such stores are operated by franchise owner. The company gives its brand name "**Fonebox**", "**Fonebook**", or "**My Mobile**" to the franchise and the store is operated by franchise owner.

## B. GLOBAL OUTLOOK OF INDUSTRY IN WHICH COMPANY IS OPERATING

Global growth has slowed to the extent that the global economy is perilously close to falling into recession—defined as a contraction in annual global per capita income—only three years after emerging from the pandemic-induced recession of 2020. Very high inflation has triggered unexpectedly rapid and synchronous monetary policy tightening around the world to contain it, including across major advanced economies. Although this tightening has been necessary for price stability, it has contributed to a significant worsening of global financial conditions, which is exerting a substantial drag on activity. This drag is set to deepen given the lags between changes in monetary policy and its economic impacts, and the fact that real rates are expected to continue to increase.

Asset prices have been in broad, synchronous decline, investment growth has weakened substantially, and housing markets in many countries are worsening rapidly. Shockwaves continue to emanate from the Russian Federation's invasion of Ukraine, especially in energy and other commodity markets. Against this backdrop, confidence has fallen precipitously. The world's three major engines of growth—the United States, the euro area, and China—are undergoing a period of pronounced weakness, with adverse spill overs for emerging market and developing economies (EMDEs), many of which are already struggling with weakening domestic conditions.

Global inflation has been pushed higher by demand pressures, including those from the lagged effects of earlier policy support, and supply shocks, including disruptions to both global supply chains and the availability of key commodities. In some countries, inflation has also been spurred by large currency depreciations relative to the U.S. dollar, as well as tight labour market conditions.

Inflation remains high worldwide and well above central bank targets in almost all inflation targeting economies. Although inflation is likely to gradually moderate over the course of the year, there are signs that underlying inflation pressures could be becoming more persistent. In response, central banks around the world have been tightening policy faster than previously expected. Monetary policy tightening in advanced economies, a strong U.S. dollar, geopolitical tensions, and high inflation have dampened risk appetite and led to widespread capital outflows and slowing bond issuance across EMDEs. Financial conditions have particularly worsened for less creditworthy EMDEs, especially if they are also energy importers.

## C. INDIAN ECONOMY

### INTRODUCTION

The Indian economy, however, appears to have moved on after its encounter with the pandemic, staging a full recovery in FY22 ahead of many nations and positioning itself to ascend to the pre-

pandemic growth path in FY23. Yet in the current year, India has also faced the challenge of reining in inflation that the European strife accentuated. Measures taken by the government and RBI, along with the easing of global commodity prices, have finally managed to bring retail inflation below the RBI upper tolerance target in November 2022. However, the challenge of the depreciating rupee, although better performing than most other currencies, persists with the likelihood of further increases in policy rates by the US Fed. The widening of the CAD may also continue as global commodity prices remain elevated and the growth momentum of the Indian economy remains strong. The loss of export stimulus is further possible as the slowing world growth and trade shrinks the global market size in the second half of the current year.

India's economic growth in FY24 has been principally led by private consumption and capital formation. It has helped generate employment as seen in the declining urban unemployment rate and in the faster net registration in Employee Provident Fund. Still, private capex soon needs to take up the leadership role to put job creation on a fast track. Recovery of MSMEs is proceeding apace, as is evident in the amounts of Goods and Services Tax (GST) they pay, while the Emergency Credit Linked Guarantee Scheme (ECLGS) is easing their debt servicing concerns. The Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) has been directly providing jobs in rural areas and indirectly creating opportunities for rural households to diversify their sources of income generation. Schemes like PM-Kisan and PM Garib Kalyan Yojana have helped in ensuring food security in the country, and their impact was also endorsed by the United Nations Development Programme (UNDP). The results of the National Family Health Survey (NFHS) also show improvement in rural welfare indicators from FY16 to FY20, covering aspects like gender, fertility rate, household amenities, and women empowerment.

## **TELECOMMUNICATION SECTOR IN INDIA**

Currently, India is the world's second-largest telecommunications market with a total telephone subscriber base stood at 1,199.28 million in March 2024 and has registered strong growth in the last decade. The Indian mobile economy is growing rapidly and will contribute to India's Gross Domestic Product (GDP) according to a report prepared by GSM Association (GSMA) in collaboration with Boston Consulting Group (BCG). In 2019, India surpassed the US to become the second-largest market in terms of the number of app downloads.

The liberal and reformist policies of the Government of India have been instrumental along with strong consumer demand in the rapid growth of the Indian telecom sector. The Government has enabled easy market access to telecom equipment and a fair and proactive regulatory framework, which has ensured the availability of telecom services to consumers at affordable prices. The deregulation of Foreign Direct Investment (FDI) norms has made the sector one of the fastest growing and the top five employment opportunity generator in the country. (Source: Telecommunication Industry Report 2024 by IBEF)

### **D. SMARTPHONES IN INDIA**

In 2024, the revenue in the Smartphones market in India is estimated to be US\$44.6bn. It is projected to have an annual growth rate of 7.09% from 2024 to 2029 (CAGR 2024-2029). When compared globally, in China generates the highest revenue in the Smartphones market, reaching US\$105.5bn in 2024. In terms of per capita income, each person in India is expected to generate a revenue of US\$31.17 in 2024.

Looking ahead, the volume in the Smartphones market is forecasted to reach 243.4m pieces units by 2029. Additionally, there is an anticipated volume growth of 4.5% in 2025. Moreover, the average volume per person in the Smartphones market in India is expected to be 0.1pieces in 2024. India's smartphone market is experiencing a surge in demand for budget-friendly devices due to the country's large population and price-sensitive consumer base. (Source: Highlights by Statista <https://www.statista.com/outlook/cmo/consumer-electronics/telephony/smartphones/india> )

#### **E. EXPANSION AND FUTURE PROPOSAL**

The Company came out with SME IPO on 25th January, 2024 and raised Rs. 2037/- Lakhs (29,10,000 equity shares issued at an issue price of Rs.70/- per equity share) for further expansion to newer geographies for next level of growth. This Issue has been undertaken to meet the objects, as set forth hereunder, and to realize the benefits of listing of equity shares of our Company on SME Emerge Platform of National Stock Exchange of India Limited, which, in our opinion, would enhance our Company's visibility, brand name and enable the Company to avail of future growth opportunities.

The Net Proceeds from the IPO have been fully utilized by the Company for the following objects:

1. Working Capital Requirements,
2. General Corporate Purpose and
3. Public Issue Expenses.

The management of the Company is of the view that opening of new retail stores of the Company in the states/union territories of India which are politically stable including other positive attributes and customer preferences, will be beneficial for our shareholders, stakeholders and the Company as a whole.

#### **E. OPPORTUNITIES**

The Company is in the field of technology business and this technology business is getting better and updated day by day so our Company has wide opportunities to grow. Further, Smartphones becoming an essential rather than a luxury commodity. Introduction of 5G network facility in India, adoption of Work From Home Policy by various corporates and high demand of smartphones, smart TVs, air-conditioners etc. also open up doors for the Company to expand its retail chain of mobile phones, its related accessories, audio devices, consumer durable home appliances and other electronic goods across the India.

#### **F. THREATS**

The technology business is getting better and updated day by day and such technology upgradation will generally leads to increase in outdated inventories. Further, in case of import of mobile phones, its related accessories, audio devices and consumer durable home appliances in India from other countries, any disruption in production cycle in that particular country might affect entire supply chain. Low entry barriers for new entrants, digital sales giants bring more competition and threats for our Company to remain competitive. Competition from unorganized small players and established players may shrink margins of our Company. The industry in which our Company operates is highly competitive and dynamic.

#### **G. PRODUCT-WISE PERFORMANCE**

The Company's business activity falls within a single primary business segment of retail and one reportable geographical segment which is "within india." Accordingly, the Company is a single segment company in accordance with Accounting Standard 17. During the financial year 2023-24, the Company registered Annual Sales of Rs. 28,971.54 from selling of Mobile phones and accessories which is increased by 50.43 % as compared to Rs.19,258.99 Lakh in the financial year 2022-23. And the Company registered Annual sales of Rs. 701.12 Lakh from selling of Consumer Durable Home Appliances which is increased by 116.66% against Rs. 323.6 Lakh in the financial year 2022-23.

## **H. OUTLOOK**

The Company's growth is linked to the overall economic trend, technology upgradation, competition from the unorganized small players and well-established players, government policies, inflation trends and disposable income of customers. Our Company is focused on growing its retail business across various products falls under the category of electronic gadgets like mobile phones, related accessories, audio devices and other consumer durable home appliances. The Company is continuously investing much time and efforts towards opening and operating the retail stores of the Company.

We also aim to achieve healthy annual growth in the coming years. As the revenue grows, we expect our EBITDA margins also to improve in the coming years.

## **I. RISKS AND CONCERNS**

Risk is an integral part to any business activity. The Company has laid down a Risk Management Policy which defines the process for identification of risks, its assessment, mitigation measures, monitoring and reporting. There are various types of risks that threaten the existence of our Company like business operations risk, liquidity risks, credit risk, market & industry risk, human resources risk, legal risk, technology risk, political risk etc. As a part of risk assessment and management system, the Audit Committee of the Company generally reviews the Company's Risk Management Policy and to remain in balance with its growing business size and changes in its risk profile.

## **J. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

Your Company has in place adequate internal control system commensurate with the size of its operations to ensure the systematic and efficient conduct of its business, including adherence to Company's policies and procedures, the safeguarding of its assets, the prevention and early detection of frauds and errors, the accuracy and completeness of the accounting records and timely preparation of reliable financial information.

Internal control systems comprising of policies and procedures are designed to ensure sound management of your Company's operations, safe keeping of its assets, optimal utilization of resources, reliability of its financial information and compliance.

## **K. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

During the year under review, your Company has achieved its best financial performance in terms of revenue as well as net profits since its incorporation. The financial performance of the Company has been summarized in the Directors' Report under the heading 'Financial Highlights of the Company for the Financial Year 2023-2024'.

**L. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES AND INDUSTRIAL RELATIONS FRONT**

We believe that our employees are the backbone of our organization. We are committed to provide equal opportunities to all our employees and it emphasizes on welfare of its employees and it strives to engage and retain talented workforce at all levels. There exists peaceful and amicable relations with our employees. As on 31.03.2024, there are total 92 (Ninety Two) permanent employees on the pay roll of the Company.

**M. DETAILS OF SIGNIFICANT CHANGES (I.E. CHANGE OF 25% OR MORE AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR) IN KEY FINANCIAL RATIOS, ALONG WITH DETAILED EXPLANATIONS THEREOF**

Key Financial Ratio	F.Y.2023-24	F.Y.2022-23	% Change
Debtors Turnover Ratio	129.25	72.00	79.52
Inventory Turnover Ratio	11.31	11.74	(3.66)
Interest Coverage Ratio	0.109	0.314	(65.28)
Current Ratio	4.14	1.29	220.25
Debt Equity Ratio	0.01	4.80	(99.87)
Operating Profit Margin (%)	1.79	1.63	10.22
Net Profit Margin (%)	1.15	0.81	41.56
Return on Net Worth (%)	21.34	113.9	79.52

Remarks for variance more than 25%.

Debtors Turnover Ratio: Movement in ratio is due to decrease in Debtors and increase in Sales.

Interest Coverage Ratio: Movement in ratio is due to decrease in Finance Cost.

Current Ratio: Movement in ratio is due to increase in current assets and decrease in current liabilities.

Debt-Equity Ratio: Movement in ratio is due to increase in Shareholder's Equity.

Net Profit Margin: Increase in margin is due to increase in Revenue and increase in Net Profit.

Return on Net Worth : Decrease in Return on Network is due to increase in Shareholder's Equity

**N. CONCLUSION**

The Management Discussion and Analysis Report has been prepared on the basis of available data as well as certain assumptions as to the economic conditions, consumer demands & preferences, government regulations & taxation, natural calamities, political factors and other incidental factors. Actual results may differ from those expressed and implied in this Report. The Company, its Directors and Officers assume no responsibility in respect of the forward-looking statements herein which may undergo changes in the future on the basis of subsequent developments, information, events etc.

**For and on behalf of the Board**

Sd/-

**Amitkumar Gopalbhai Patel**  
Managing Director  
DIN: 08472609

Date: 29/08/2024  
Place: Ahmedabad



**ANNEXURE-F**  
**CERTIFICATE BY THE CHIEF FINANCIAL OFFICER OF THE COMPANY**

I, Parth Lallubhai Desai, Chief Financial Officer of Fonebox Retail Limited to the best of my knowledge and belief certify that;

1. I have reviewed the reviewed financial statements and the cash flow statement for the Financial year 2023-24 and that to the best of their knowledge and belief:
  - (a) these statements do not contain any materially untrue statement or omit any material facts or contain statements that might be misleading;
  - (b) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. I also certify, to the best of my knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
3. I accept responsibility for establishing and maintaining internal controls for financial reporting and that i have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and i have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which I am aware and the steps we have taken or propose to take to rectify these deficiencies.
4. I have indicated to the Auditors and the Audit Committee :-
  - (a) significant changes in internal control over financial reporting during the year ;
  - (b) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements ; and
  - (c) instances of significant fraud of which i have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**Date: 29/05/2024**  
**Place: Ahmedabad**

Sd/-

**Parth Lallubhai Desai**  
**Director & Chief Financial Officer**  
**DIN: 01452248**

## Independent Auditor's Report

To,  
**The Members of Fonebox Retail Limited**  
**(formerly Known as Fonebox Retail Private Limited)**

### **Report on the Audit of Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of **Fonebox Retail Limited (formerly Known as Fonebox Retail Private Limited)** ('the Company'), which comprise the balance sheet as at 31 March 2024, the statement of profit and loss and statement of cash flows for the year ended on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, its profit and statement of cash flows for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made there under and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

<b>Sr. No.</b>	<b>Key Audit Matter</b>	<b>Auditor's Response</b>
1.	Existence and valuation of Inventories - As indicated in Note 13, the value of the Company's inventories at year-end was Rs. 2970.45 Lacs, representing 48.31% of the Company's total assets. The existence of inventory is a key audit matter due to the involvement of high risk, basis the nature of the retail industry wherein value per unit is relatively insignificant but high volumes are involved which are distributed across different Point of Sales Outlets and warehouses.	In response to this key matter, our audit included, among others, the following principal audit procedures: <ul style="list-style-type: none"><li>- Understood Management's control over physical inventory counts and valuation.</li><li>- Evaluation of the design and testing the operating effectiveness of the internal controls relating to physical inventory counts at the stores and the warehouse. In testing this control, we observed the inventory cycle count process on a sample basis, inspected the results of the inventory cycle count and confirmed that the variances were approved and appropriately accounted for.</li><li>- Evaluation of the design and testing the operating effectiveness of the internal controls relating to</li></ul>

- 
- purchases, sales and inventories including automated controls
  - We have also performed roll-forward and alternate procedures on sample basis for establishing the existence of inventory as at year end by validating purchases, sales, stock movement of inventory during the intervening period i.e. from the date physical verification was done till the year end date.
  - We have assessed the physical verification reports for the verification conducted by the management during the year.
  - We read and assessed Company's accounting policy with regard to inventories and its compliance with applicable accounting standards.
  - We read and assessed the adequacy of relevant disclosures related to inventories in the financial statements.

### **Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report, but does not include the financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Director's are responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated

in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the '**Annexure A**' statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) the balance sheet, the statement of profit and loss and statement of cash flows dealt with by this Report are in agreement with the books of account;
  - (d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) on the basis of the written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) with respect to the adequacy of the internal financial control over financial reporting of the Company and the operating effectiveness of such control, refer to our separate report in the '**Annexure B**', Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. the Company has no any pending litigations on its financial position in its financial statements;
    - ii. the Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses, and
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
    - iv. (1) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
(2) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party

("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(3) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (1) and (2) contain any material mis-statement.

- v. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
- vi. Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

- (h) With respect to the matter to be included in the Auditors' Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and according to the information and explanations given to us, the remuneration paid / provided by the Company to its directors during year is in accordance with the provisions of Section 197 of the Act.

**For, R K KOTADIYA & CO LLP**

*Chartered Accountants*

F. R. No.: 136884W/W100931

Sd/-

**Rajesh Kotadiya**

*Partner*

M. No.: 142120

Place: Ahmedabad

Date: May 29, 2024

UDIN: 24142120BKELBQ8395

### **Annexure "A" to the Independent Auditors' Report**

**(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Fonebox Retail Limited (formerly Known as Fonebox Retail Private Limited) of even date)**

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property plant and equipment.  
(B) The Company has maintained proper records showing full particulars of intangible assets.  
(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, plant and equipment by which all Property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain Property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.  
(c) The company does not have any immovable property properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, clause 3 (i) c) of the Order is not applicable to the company.  
(d) The company has not revalued its property, plant and equipment (including right of use assets) or intangible assets during the year.  
(e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) (45 of 1988) and rules made thereunder. Therefore, the provisions of Clause (i)(e) of paragraph 3 of the order is not applicable to the company.
- (ii) (a) The inventories were physically verified by the management during the year at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the management is appropriate having regard to the size of the company and the nature of its operations. No discrepancies of 10% or more in aggregate of each class of inventories were noticed on such physical verification of inventories when compared with the books of accounts.  
(b) The company has not been sanctioned working capital limit in excess of five crore rupees in aggregate from banks or financial institutions on the basis of security of current assets at any point of time during the year hence reporting under clause 3(ii)(b) of the Order is not applicable.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, During the year, the company has not made investments, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnerships or any other parties hence clause 3(iii)(a) to 3(iii) (f) is not applicable to the company.
- (iv) During the year, the company has not made investments, provided any guarantee or security or granted any loans or advances to which section 185 and 186 of the Companies Act, 2013 apply, and hence not commented upon.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable accordingly, the requirement to reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) According to the information and explanation given to us, the Central Government has not prescribed the maintenance of cost records under Section 148 (1) of the Act for the business activities carried out by the Company. Accordingly, reporting under clause 3(vi) of the Order is not applicable to the company.

- (vii) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the company is generally regular in depositing undisputed statutory dues including Goods and Service Tax, provident fund, employees' state insurance, income-tax, duty of customs cess and any other statutory dues applicable to the company with the appropriate authorities. The provisions relating to sales-tax, service tax, duty of excise, value added tax are not applicable to the company. According to the information and explanations given to us, no undisputed amounts payable in respect of these statutory dues were pending at the end of the year for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us There is no statutory dues referred in foregoing paragraph vii) a), which have not been deposited on account of any dispute.
- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year. Hence clause 3(viii) of the Order is not applicable to the company.
- (ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of any loan or other borrowings or any interest due thereon to any lender.
- (b) In our opinion and according to the information and explanations given to us, the company has not been a declared wilful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanations given to us, the loans were applied for the purpose for which the loans were obtained.
- (d) In our opinion and according to the information and explanations given to us, there are no funds raised on short term basis which have been utilised for long term purposes.
- (e) In our opinion and according to the information and explanations given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) In our opinion and according to the information and explanations given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) In our opinion and according to the information and explanations given to us, during the year the Company has raised money by way of Initial Public Offer (IPO) and money received from such IPO was applied for the purpose for which it was raised.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year hence the clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or fraud on the company by its officers or employees has been noticed or reported during the year.
- (b) During the year no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As auditor, we did not receive any whistle- blower complaint during the year.
- (xii) The Company is not a Nidhi Company. Therefore, paragraph of clause 3 (xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the Act. Where



applicable, the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with them as referred to in section 192 of the Act. Accordingly, paragraph of clause 3 (xv) of the Order is not applicable to the Company.
- (xvi) (a) In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) (a), (b), and (c) of the Order is not applicable to the Company.
- (d) As per the information and explanations received, the group does not have any CIC as part of the group.
- (xvii) The company has not incurred cash loss during the financial year covered by our audit as well in immediately preceding financial year.
- (xviii) There has been no resignation of the previous statutory auditors during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, and our knowledge of the Board of Directors and management plans, and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) There is no liability of the company under the provisions of section 135 of the Companies Act, relating to Corporate Social Responsibility. Therefore, the provisions of Clause (xx) (a) and (b) of paragraph 3 of the order are not applicable to the Company.
- (xxi) The company has not made investments in subsidiary company. Therefore, the company does not require to prepare consolidated financial statement. Therefore, the provisions of Clause (xxi) of paragraph 3 of the order is not applicable to the Company.

**For, R K KOTADIYA & CO LLP**

*Chartered Accountants*

F. R. No.: 136884W/W100931

Sd/-

**Rajesh Kotadiya**

*Partner*

M. No.: 142120

Place: Ahmedabad

Date: May 29, 2024

UDIN: 24142120BKELBQ8395

## **ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT**

**(Referred to in paragraph 2 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Fonebox Retail Limited (formerly Known as Fonebox Retail Private Limited) of even date)**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of **Fonebox Retail Limited (formerly Known as Fonebox Retail Private Limited)**, (“The Company”) as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### **Management’s Responsibility for the Internal Financial Controls.**

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

### **Auditors’ Responsibility**

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

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

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

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations' of management and directors of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion and according to the information and explanations given to us the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**For, R K KOTADIYA & CO LLP**

*Chartered Accountants*

F. R. No.: 136884W/W100931

Sd/-

**Rajesh Kotadiya**

*Partner*

M. No.: 142120

Place: Ahmedabad

Date: May 29, 2024

UDIN: 24142120BKELBQ8395

**Fonebox Retail Limited (formerly Known as Fonebox Retail Private Limited)**

(CIN: L51909GJ2021PLC119941)

**Balance Sheet as at 31 March 2024**

(₹ in lacs)

Particulars	Note	31 March 2024	31 March 2023
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' funds</b>			
(a) Share Capital	1	1,026.00	50.00
(b) Reserves and Surplus	2	1,969.07	170.29
<b>Total</b>		<b>2,995.07</b>	<b>220.29</b>
<b>(2) Non-current liabilities</b>			
(a) Long-term Borrowings	3	4.28	9.64
(b) Deferred Tax Liabilities (net)	4	2.09	5.80
(c) Other Long-term Liabilities	5	1,780.27	1,162.56
(d) Long-term Provisions	6	7.49	5.25
<b>Total</b>		<b>1,794.13</b>	<b>1,183.25</b>
<b>(3) Current liabilities</b>			
(a) Short-term Borrowings	7	14.53	1,048.58
(b) Trade Payables	8		
- Due to Micro and Small Enterprises		328.39	364.97
- Due to Others		726.14	1,368.48
(c) Other Current Liabilities	9	35.04	46.45
(d) Short-term Provisions	10	255.66	69.58
<b>Total</b>		<b>1,359.76</b>	<b>2,898.06</b>
<b>Total Equity and Liabilities</b>		<b>6,148.96</b>	<b>4,301.60</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant and Equipment and Intangible Assets			
(i) Property, Plant and Equipment	11	396.34	430.77
(ii) Intangible Assets	11	38.09	42.45
(b) Other Non-current Assets	12	87.33	83.42
<b>Total</b>		<b>521.76</b>	<b>556.64</b>
<b>(2) Current assets</b>			
(a) Inventories	13	2,970.45	2,290.20
(b) Trade Receivables	14	142.56	317.93
(c) Cash and cash equivalents	15	1,367.78	91.86
(d) Short-term Loans and Advances	16	730.06	599.26
(e) Other Current Assets	17	416.35	445.71
<b>Total</b>		<b>5,627.20</b>	<b>3,744.96</b>
<b>Total Assets</b>		<b>6,148.96</b>	<b>4,301.60</b>

See accompanying notes to the financial statements

As per our report of even date

**For R K KOTADIYA & CO LLP**

Chartered Accountants

Firm's Registration No. 136884W/W100931

**For and on behalf of the Board of****Fonebox Retail Limited (formerly Known as Fonebox Retail Private Limited)**

Sd/-

**Rajesh Kotadiya**

Partner

Membership No. 142120

UDIN:

Place: Ahmedabad

Date: 29 May 2024

Sd/-

**Manish G. Patel**Chairman &  
Executive Director

DIN-01436792

Sd/-

**Parth L. Desai**Executive Director  
& CFO

DIN-01452248

Sd/-

**Amitkumar G. Patel**

Managing Director

DIN-08472609

Sd/-

**Charmi V. Shah**

Company Secretary

PAN: GUXPS8901M

Place: Ahmedabad

Date: 29 May 2024

# Fonebox Retail Limited (formerly Known as Fonebox Retail Private Limited)

(CIN: L51909GJ2021PLC119941)

Statement of Profit and loss for the year ended 31 March 2024

(₹ in lacs)

Particulars	Note	31 March 2024	31 March 2023
Revenue from Operations	18	29,760.52	19,625.74
Other Income	19	5.99	0.35
<b>Total Income</b>		<b>29,766.51</b>	<b>19,626.09</b>
<b>Expenses</b>			
Purchases of Stock in Trade	20	27,557.32	18,907.49
Change in Inventories of work in progress and finished goods	21	(680.25)	(1,238.05)
Employee Benefit Expenses	22	333.07	324.30
Finance Costs	23	58.43	100.71
Depreciation and Amortization Expenses	24	82.65	69.03
Other Expenses	25	1,938.13	1,242.62
<b>Total expenses</b>		<b>29,289.35</b>	<b>19,406.10</b>
<b>Profit/(Loss) before Exceptional and Extraordinary Item and Tax</b>		<b>477.16</b>	<b>219.99</b>
Exceptional Item	26	-	0.25
<b>Profit/(Loss) before Extraordinary Item and Tax</b>		<b>477.16</b>	<b>219.74</b>
Extraordinary Item		-	-
<b>Profit/(Loss) before Tax</b>		<b>477.16</b>	<b>219.74</b>
Tax Expenses	27		
- Current Tax		137.36	60.54
- Deferred Tax		(3.71)	(0.67)
- Excess/Short Provision Written back/off		0.35	-
<b>Profit/(Loss) after Tax</b>		<b>343.16</b>	<b>159.87</b>
Earnings Per Share (Face Value per Share Rs.10 each)			
-Basic (In Rs)	28	4.51	4.57
-Diluted (In Rs)	28	4.51	4.57

See accompanying notes to the financial statements

As per our report of even date

**For R K KOTADIYA & CO LLP**

Chartered Accountants

Firm's Registration No. 136884W/W100931

**For and on behalf of the Board of**

**Fonebox Retail Limited (formerly Known as Fonebox Retail Private Limited)**

Sd/-

**Rajesh Kotadiya**

Partner

Membership No. 142120

UDIN:

Place: Ahmedabad

Date: 29 May 2024

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Executive Director  
& CFO

DIN-01452248

Sd/-

**Amitkumar G. Patel**

Managing Director

DIN-08472609

Sd/-

**Charmi V. Shah**

Company Secretary

PAN: GUXPS8901M

Place: Ahmedabad

Date: 29 May 2024

# Fonebox Retail Limited (formerly Known as Fonebox Retail Private Limited)

(CIN: L51909GJ2021PLC119941)

## Cash Flow Statement for the year ended 31 March 2024

(₹ in lacs)

Particulars	Note	31 March 2024	31 March 2023
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit after tax		343.16	159.87
Depreciation and Amortisation Expense		82.65	69.03
Provision for tax		134.00	59.86
Non Cash Expenses		2.25	5.26
Interest Income		(2.36)	(0.35)
Finance Costs		58.43	100.71
<b>Operating Profit before working capital changes</b>		<b>618.13</b>	<b>394.39</b>
<b>Adjustment for:</b>			
Inventories		(680.25)	(1,238.05)
Trade Receivables		175.37	(90.71)
Loans and Advances		16.71	(22.83)
Other Current Assets		(122.06)	(613.68)
Trade Payables		(678.91)	533.29
Other Current Liabilities		606.29	831.90
Short-term Provisions		186.08	55.28
Cash (Used in)/Generated from Operations		121.36	(150.40)
Tax paid(Net)		137.72	57.54
<b>Net Cash (Used in)/Generated from Operating Activities</b>		<b>(16.35)</b>	<b>(207.94)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of Property, Plant and Equipment		(43.86)	(118.30)
Interest received		2.36	0.35
<b>Net Cash (Used in)/Generated from Investing Activities</b>		<b>(41.50)</b>	<b>(117.95)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from Issue of Share Capital (Net of IPO Expenses)		2,431.62	-
Proceeds from Long Term Borrowings		(5.36)	(4.99)
Proceeds from Short Term Borrowings		(1,034.05)	478.94
Interest Paid		(58.43)	(100.71)
Net Cash (Used in)/Generated from Financing Activities		1,333.77	373.23
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>		<b>1,275.92</b>	<b>47.34</b>
Opening Balance of Cash and Cash Equivalents		91.86	44.53
Exchange difference of Foreign Currency Cash and Cash equivalents		-	-
<b>Closing Balance of Cash and Cash Equivalents</b>	15	<b>1,367.78</b>	<b>91.86</b>

### Note:

The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard 3 (AS-3), "Cash Flow Statements".

### See accompanying notes to the financial statements

As per our report of even date

**For R K KOTADIYA & CO LLP**

Chartered Accountants

Firm's Registration No. 136884W/W100931

**For and on behalf of the Board of**

**Fonebox Retail Limited (formerly Known as Fonebox Retail Private Limited)**

Sd/-

**Rajesh Kotadiya**

Partner

Membership No. 142120

UDIN:

Place: Ahmedabad

Date: 29 May 2024

Sd/-

**Manish G. Patel**

Chairman &  
Executive Director

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Sd/-

**Parth L. Desai**

Executive Director  
& CFO

DIN-01452248

Sd/-

**Amitkumar G. Patel**

Managing Director

DIN-08472609

Sd/-

**Charmi V. Shah**

Company Secretary

PAN: GUXPS8901M

Place: Ahmedabad

Date: 29 May 2024

# Fonebox Retail Limited (formerly Known as Fonebox Retail Private Limited)

(CIN: L51909GJ2021PLC119941)

## Notes forming part of the Financial Statements

### A CORPORATE INFORMATION

FONEBOX RETAIL LIMITED (formerly Known as FONEBOX RETAIL PRIVATE LIMITED) ('the Company') is Domiciled in India and Incorporated under the provisions of Companies Act 2013. The Company's registered office is at 702/703, 7th Floor, Satyam 64, Opp. Gujarat High Court, S G Road, Ahmedabad, Gujarat India 380061.

The Company has converted from Private Limited Company to Public Limited Company, pursuant to a special resolution passed in extra ordinary general meeting of the shareholders of the company held on 28 June 2023 and consequently the name of the company has changed to FONEBOX RETAIL LIMITED pursuant to a fresh certificate of Incorporation by the registrar of Companies on 12 July 2023. The Company has come out with its SME IPO during the financial year 2023-24 and got listed on NSE Emerge Platform w.e.f. 02nd February, 2024.

The Company is primarily engaged in the business of multi-brand retail selling of Smart Phones, allied accessories and consumer durable electronics goods.

These financial statements were approved by the Board of Directors and authorised for issue on May 29, 2024.

### B SIGNIFICANT ACCOUNTING POLICIES

#### 1 Basis of Preparation

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') under the historical cost convention on the accrual basis to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 and guidelines issued by the Securities and Exchange Board of India (SEBI). The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

#### Rounding off amounts

The financial statements are presented in Rs. and all values are rounded to the nearest Rs.0.00 Lacs, except when otherwise indicated.

#### 2 Use of estimates

The preparation of financial statements in conformity with the Accounting Standards requires the management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the reported amounts of assets and liabilities, disclosure of contingent amount as at the date of financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

#### 3 Basis of classification of assets and liabilities into Current/non-current

The Company presents assets and liabilities in the balance sheet based on current and non-current classification.

#### As asset is treated as current when it is:

- Expected to be realised or intended to be sold or Consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

#### A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose or trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

#### 4 Property, Plant and Equipment

Fixed assets are stated at cost, less accumulated depreciation / amortisation and impairment losses, if any. Costs include all expenses incurred to bring the asset to its present location and condition.

Capital work-in-progress comprises cost of property, plant and equipment (including related expenses), that are not yet ready for their intended use at the reporting date.

Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

#### 5 Depreciation

Depreciation is provided to the extent of depreciable amount on a straight line basis (other than freehold land and capital work-in-progress) over the useful life of asset as assessed by the management and the same is similar to the useful lives as prescribed in Part-C of Schedule II to the Companies Act, 2013. Depreciation is charged on pro-rata basis for asset purchased / sold during the year.

The assets residual values, useful life and method of depreciation of PPE are reviewed and adjusted if appropriate, at the end of each reporting period.

Type of Assets	Period
Buildings	30 Years
Plant and Equipment	15 Years
Furniture and Fixtures	10 Years
Electric Installation	10 Years
Vehicles	8 Years
Office equipment	5 Years
Computers	3 Years

#### 6 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Intangible assets are amortised on a straight-line value basis over the economic useful life estimated by the management.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

#### 7 Amortisation of intangible assets

Amortisation is provided on straight line method over the useful life of asset as assessed by the management. Amortisation is charged on pro-rata basis for asset purchased / sold during the year. Estimated useful life are as under:

Type of Assets	Period
Computer Software	3 Years
Brands /trademarks	9 Years



## 8 Leases

### As a Lessee

Assets taken on lease by the Company in its capacity as lessee, where the Company has substantially all the risks and rewards of ownership are classified as finance lease. Such a lease is capitalised at the inception of the lease at lower of the fair value or the present value of the minimum lease payments and a liability is recognised for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred. A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are recognised as operating leases. Lease rentals under operating leases are recognised in the statement of profit and loss on a straight-line basis.

### As a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

## 9 Impairment

At each balance sheet date, the management reviews the carrying amounts of its assets included in each cash generating unit to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. Reversal of impairment loss is recognised as income in the statement of profit and loss. On such review there is no indication of impairment of assets during the year.

## 10 Government Grants

Government Grants if any, received against specific fixed assets are adjusted to the cost of the assets Revenue grants are recognized in the Statement of Profit and Loss.

## 11 Borrowing Cost:

Interest and other borrowing costs if any, attributable to qualifying assets, are added to the cost of the qualifying asset, until such time as the assets are substantially ready for their intended use. Qualifying assets for capital of general borrowing costs are those that necessarily take more than one year or substantial period of time to get ready for their intended use.

## 12 Investments

Investments if any, are considered as long term, therefore stated at cost of acquisition and no provision for diminution in value is made having considered as temporary by the board of directors.

## 13 Employee Benefits

### (i) Post-employment benefit plans

Contributions to defined contribution retirement benefit schemes are recognised as expense when employees have rendered services entitling them to such benefits.

For defined benefit schemes, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in full in the statement of profit and loss for the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested, or amortised on a straight-line basis over the average period until the benefits become vested.

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, and as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme.

## **(ii) Other employee benefits**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the service. These benefits include compensated absences such as paid annual leave, overseas social security contributions and performance incentives.

## **14 Inventories**

Inventories are valued at lower of cost and net realizable value. Cost of inventories, comprise costs of purchase and other costs incurred in bringing the inventories to their present condition and location. Cost is determined by the Specific identification of cost method. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated cost necessary to make the sale.

## **15 Revenue recognition**

Revenue from operations is recognised to the extent that it is probable that economic benefit will flow to the Company and the revenue can be reliably measured regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

### **Sale of goods :**

Revenue from sale of goods is recognised on delivery of merchandise to the customer, when the property in the goods is transferred for a price, and significant risks and rewards have been transferred and no effective ownership control is retained. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

### **Other operating income:**

Commission Income is accounted on accrual basis when no significant uncertainty exists regarding the amount that will be received.

### **Interest income:**

Interest income is recognised based on time proportion basis considering the amount outstanding and rate applicable (EIR). Interest income is included in the Other Income in the statement of Profit and Loss.

## **16 Foreign currency transactions**

Income and expense in foreign currencies are converted at exchange rates prevailing on the date of the transaction. Foreign currency monetary assets and liabilities other than net investments in non-integral foreign operations are translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses are recognised in the statement of profit and loss. Exchange difference arising on a monetary item that, in substance, forms part of an enterprise's net investments in a non-integral foreign operation are accumulated in a foreign currency translation reserve. Non-monetary assets and non-monetary liabilities denominated in a foreign currency are measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

## **17 Taxation**

Current income tax expense comprises taxes on income from operations in India and in foreign jurisdictions if any. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961. Tax expense relating to foreign operations is determined in accordance with tax laws applicable in countries where such operations are domiciled.

Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax after the tax holiday period. Accordingly, MAT is recognised as an asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with it will fructify.

Deferred tax expense or benefit is recognised on timing differences being the difference between taxable income and accounting income that originate in one period and is likely to reverse in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction for relevant tax paying units and where the Company is able to and intends to settle the asset and liability on a net basis.

The Company offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.

## 18 Provisions, Contingent liabilities and Contingent assets

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the Financial Statements . A contingent asset is neither recognised nor disclosed in the Financial Statements .

## 19 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of Equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

## 20 Cash and cash equivalents

For the purpose of cash flow statement, Cash and cash equivalent comprises cash at banks, cash on hand, short term deposits and all highly liquid financial instruments, which are readily convertible into known amount of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase.

## 21 Segment reporting

The Company's business activity falls within a single primary business segment of retail and one reportable geographical segment which is "within India". Accordingly, the Company is a single segment company in accordance with Accounting Standard 17.

## 22 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

As per our report of even date

### For R K KOTADIYA & CO LLP

Chartered Accountants

Firm's Registration No. 136884W/W100931

### For and on behalf of the Board of

**Fonebox Retail Limited (formerly Known as Fonebox Retail Private Limited)**

Sd/-	Sd/-	Sd/-	Sd/-	Sd/-
<b>Rajesh Kotadiya</b>	<b>Manish G. Patel</b>	<b>Parth L. Desai</b>	<b>Amitkumar G. Patel</b>	<b>Charmi V. Shah</b>
Partner	Chairman & Executive Director	Executive Director & CFO	Managing Director	Company Secretary
Membership No. 142120	DIN-01436792	DIN-01452248	DIN-08472609	PAN: GUXPS8901M
UDIN:				Place: Ahmedabad
Place: Ahmedabad				Date: 29 May 2024
Date: 29 May 2024				

# Fonebox Retail Limited (formerly Known as Fonebox Retail Private Limited)

(CIN: L51909GJ2021PLC119941)

## Notes forming part of the Financial Statements

### 1 Share Capital

(₹ in lacs)

Particulars	31 March 2024	31 March 2023
<b>Authorised Share Capital</b>		
Equity Shares, Rs. 10 par value, 10500000 (Previous Year -10500000) Equity Shares	1,050.00	1,050.00
<b>Issued, Subscribed and Fully Paid up Share Capital</b>		
Equity Shares, Rs. 10 par value 10260000 (Previous Year -500000) Equity Shares	1,026.00	50.00
<b>Total</b>	<b>1,026.00</b>	<b>50.00</b>

#### (i) Reconciliation of number of shares

Particulars	31 March 2024		31 March 2023	
	No. of shares	(₹ in lacs)	No. of shares	(₹ in lacs)
Opening Balance	5,00,000	50.00	1,50,000	15.00
Issued during the year	97,60,000	976.00	3,50,000	35.00
Deletion	-	-	-	-
<b>Closing balance</b>	<b>1,02,60,000</b>	<b>1,026.00</b>	<b>5,00,000</b>	<b>50.00</b>

#### (ii) Rights, preferences and restrictions attached to shares

Equity Shares: The Company has one class of equity shares. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

#### (iii) Details of Shares held by shareholders holding more than 5% of the aggregate shares in the company

Equity Shares	31 March 2024		31 March 2023	
	Name of Shareholder	No. of shares	In %	No. of shares
Jigar Lallubhai Desai	12,12,750	11.82%	82,500	16.50%
Manishbhai Girishbhai Patel	18,37,500	17.91%	1,25,000	25.00%
Parth Lallubhai Desai	12,12,750	11.82%	82,500	16.50%
NAV Capital VCC - NAV Capital Emerging Star Fund	7,44,000	7.25%	-	0.00%

#### (iv) Shares held by Promoters at the end of the year 31 March 2024

Name of Promoter	Class of Shares	No. of Shares	% of total shares	% Change during the year
Amitkumar Gopalbhai Patel	Equity	2,75,625	2.69%	-1.06%
Jigar Lallubhai Desai	Equity	12,12,750	11.82%	-4.68%
Jigneshkumar Dashratahbhai Parekh	Equity	2,94,000	2.87%	-1.13%
Manishkumar Girishbhai Patel	Equity	18,37,500	17.91%	-7.09%
Parth Lallubhai Desai	Equity	12,12,750	11.82%	-4.68%

### Shares held by Promoters at the end of the year 31 March 2023

Name of Promoter	Class of Shares	No. of Shares	% of total shares	% Change during the year
Amitkumar Gopalbhai Patel	Equity	18,750	3.75%	1.25%
Jigar Lallubhai Desai	Equity	82,500	16.50%	1.50%
Jigneshkumar Dashratahbhai Parekh	Equity	20,000	4.00%	1.50%
Manishkumar Girishbhai Patel	Equity	1,25,000	25.00%	-15.00%
Parth Lallubhai Desai	Equity	82,500	16.50%	1.50%

### (v) Equity shares movement during 5 years preceding 31 March 2024

Particulars	Year 1	Year 2	Year 3	Year 4	Year 5
Equity Share	-	-	-	-	-

Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash immediately preceding five years from the Balance Sheet date - NIL.

Aggregate number and class of shares allotted as fully paid up by way of bonus shares immediately preceding five years from the Balance Sheet date - NIL.

The company has not Bought Back any Equity Shares immediately preceding five years from the Balance Sheet date.

Pursuant to the approval of the Board of Directors at their meeting dated April 22, 2023, the Company allotted 5,50,000 fully-paid equity shares to the existing shareholders on a right basis in the ratio of eleven equity shares for every ten equity shares held by them. The Company allotted 5,50,000 fully-paid equity shares of face value of ₹ 10.00 each at an issue price of ₹ 100.00 per equity share, i.e. at a premium of ₹ 90.00 per equity share. The applicants were required to pay ₹ 100.00 per equity share on application of which ₹ 10.00 per equity share is appropriated towards face value and remaining ₹ 90.00 per equity share is appropriated towards securities premium.

Shares in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company in aggregate - NIL

Shares reserved for issue under options and contracts/commitments for the sale of shares/disinvestment, including the terms and amounts - NIL

Terms of any securities convertible into equity/preference shares issued along with the earliest date of conversion in descending order starting from the farthest such date - Not applicable

Calls unpaid (showing aggregate value of calls unpaid by directors and officers) - NIL

Forfeited shares (amount originally paid-up) - NIL

## 2 Reserves and Surplus

(₹ in lacs)

Particulars	31 March 2024	31 March 2023
<b>Securities Premium</b>		
Opening Balance	-	-
Add: Issue of Shares	2,241.00	-
Less: Bonus Shares Issued	495.00	-
(Add)/Less: IPO Expenses	155.38	-
Closing Balance	1,590.62	-
<b>Statement of Profit and loss</b>		
Balance at the beginning of the year	170.29	10.43
Add: Profit/(loss) during the year	343.16	159.87
Less: Appropriation		
Bonus Shares issued	135.00	-
<b>Balance at the end of the year</b>	<b>378.45</b>	<b>170.29</b>
<b>Total</b>	<b>1,969.07</b>	<b>170.29</b>

### 3 Long term borrowings

(₹ in lacs)

Particulars	31 March 2024	31 March 2023
Secured Term loans from banks -Vehicle Loan	4.28	9.64
<b>Total</b>	<b>4.28</b>	<b>9.64</b>

### Borrowings includes

(₹ in lacs)

Particulars	31 March 2024	31 March 2023
Any guarantee given by directors or others	4.28	9.64
<b>Total</b>	<b>4.28</b>	<b>9.64</b>

### Particulars of Long term Borrowings

Name of Lender/Type of Loan	Nature of Security	Rate of Interest	Monthly Installments	No of Installment
Hdfc Bank Ltd	Vehicle Loan	7.10%	48945	48

Secured by way of hypothecation of Vehicle and further secured by personal guarantee of directors.

### Utilization of Proceeds received from Borrowings from Banks and Financial Institutions

The company has utilized the proceeds from Banks and Financial Institutions towards the specific purpose for which they were raised, except for the amounts mentioned below:

(₹ in lacs)

Particulars	31 March 2024	31 March 2023
Amount not utilized for the specific purpose	-	-
<b>Out of above amount:</b>		

### 4 Deferred tax liabilities Net

(₹ in lacs)

Particulars	31 March 2024	31 March 2023
Deferred Tax Liability	2.09	5.80
<b>Total</b>	<b>2.09</b>	<b>5.80</b>

### Significant components of Deferred Tax

(₹ in lacs)

Particulars	31 March 2024	31 March 2023
<b>Deferred Tax Liability</b>		
Difference between book depreciation and tax depreciation	4.07	7.16
<b>Gross Deferred Tax Liability (A)</b>	<b>4.07</b>	<b>7.16</b>
<b>Deferred Tax Asset</b>		
Expenses provided but allowable in Income tax on Payment basis	1.99	1.36
<b>Gross Deferred Tax Asset (B)</b>	<b>1.99</b>	<b>1.36</b>
<b>Net Deferred Tax Liability (A)-(B)</b>	<b>2.09</b>	<b>5.80</b>

### Significant components of Deferred Tax charged during the year

(₹ in lacs)

Particulars	31 March 2024	31 March 2023
Difference between book depreciation and tax depreciation	(3.09)	0.69
Expenses provided but allowable in Income tax on Payment basis	(0.63)	(1.36)
<b>Total</b>	<b>(3.71)</b>	<b>(0.68)</b>

**5 Other Long term liabilities**

(₹ in lacs)

Particulars	31 March 2024	31 March 2023
Others		
-Branch Security Deposit	1,780.27	1,162.56
<b>Total</b>	<b>1,780.27</b>	<b>1,162.56</b>

**6 Long term provisions**

(₹ in lacs)

Particulars	31 March 2024	31 March 2023
Provision for employee benefits		
-Gratuity Provision	7.49	5.25
<b>Total</b>	<b>7.49</b>	<b>5.25</b>

**7 Short term borrowings**

(₹ in lacs)

Particulars	31 March 2024	31 March 2023
Current maturities of long-term debt		
-Vehicle Loan	5.36	4.99
Secured Loans repayable on demand from banks		
-Cash Credit/Overdraft/WCDL	0.02	397.10
Unsecured Loans repayable on demand from banks		
-Trade Advance	9.15	0.45
Unsecured Loans repayable on demand from other parties		
-Trade Advance	-	2.43
Unsecured Loans and advances from related parties		
-Unsecured Loans	-	643.61
<b>Total</b>	<b>14.53</b>	<b>1,048.58</b>

**Borrowings includes**

(₹ in lacs)

Particulars	31 March 2024	31 March 2023
Any guarantee given by directors or others	14.53	402.10
<b>Total</b>	<b>14.53</b>	<b>402.10</b>

**Particulars of Short term Borrowings**

Name of Lender/Type of Loan	Rate of Interest	Nature of Security
HDFC Bank Ltd. - Cash Credit Loan	9.25%	Secured
HDFC Bank Ltd - Vehicle Loan	7.10%	Secured
HDFC Bank Ltd- Trade Advance	9.75%	Unsecured
IDFC First Bank Ltd - Trade Advance	11.00%	Unsecured
Bajaj Finance Limited- Trade Advance	11.75%	Unsecured
HDB Financial Services Limited - Trade Advance	2% Fixed P.M.	Unsecured
Unsecured Loan From related parties	12.00%	Unsecured

HDFC Bank Ltd. - Cash Credit Loan: Hypothecation by way of Exclusive Charge on Stock and Book debts of the Company as mentioned below to secure as a continuing security for the repayment of Rs.400 Lakhs together with interest, costs, charges, expenses and other moneys due and payable by the Company to the Bank. (a) Primary Security: current asset: First pari passu charge by way of hypothecation on entire current assets of the company including all stocks and book debts (both present & future). (b) Colletaral Security: personal guarantee of Directors and Retated Parties.

HDFC Bank Ltd - Vehicle Loan: Secured by way of hypothecation of Vehicle and further secured by personal guarantee of directors.

HDFC Bank Ltd- Trade Advance: Primary Unsecured and Colletaral by personal guarantee of directors.

**8 Trade payables**

(₹ in lacs)

Particulars	31 March 2024	31 March 2023
Due to Micro and Small Enterprises	328.39	364.97
Due to others	726.14	1,368.48
<b>Total</b>	<b>1,054.53</b>	<b>1,733.45</b>

**8.1 Trade Payable ageing schedule as at 31 March 2024**

(₹ in lacs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	328.39	-	-	-	328.39
Others	700.21	25.89	0.04	-	726.14
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
<b>Sub total</b>					<b>1,054.53</b>
MSME - Undue					-
Others - Undue					-
MSME - Unbilled					-
Others - Unbilled					-
<b>Total</b>					<b>1,054.53</b>

**8.2 Trade Payable ageing schedule as at 31 March 2023**

(₹ in lacs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	364.97	-	-	-	364.97
Others	1,359.58	8.90	-	-	1,368.48
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
<b>Sub total</b>					<b>1,733.44</b>
MSME - Undue					-
Others - Undue					-
<b>Total</b>					<b>1,733.44</b>

**9 Other current liabilities**

(₹ in lacs)

Particulars	31 March 2024	31 March 2023
Statutory dues	30.00	35.55
Advances from customers	5.04	10.90
<b>Total</b>	<b>35.04</b>	<b>46.45</b>

**10 Short term provisions**

(₹ in lacs)

Particulars	31 March 2024	31 March 2023
Provision for employee benefits		
-Gratuity Provision	0.02	0.02
Provision for income tax	137.36	57.54
Others		
-Provision for Commission Expense	110.86	-
-Provision for Electricity	7.38	4.12
-Provision for Interest	0.04	0.07
-Provision for Nexxa Warranty Claim	-	7.83
<b>Total</b>	<b>255.66</b>	<b>69.58</b>



## Fonebox Retail Limited (formerly Known as Fonebox Retail Private Limited)

(CIN: L51909GJ2021PLC119941)

Notes forming part of the Financial Statements

### Property, Plant and Equipment

(₹ in lacs)

Name of Assets	Gross Block				Depreciation and Amortization				Net Block	Net Block
	As on 01-Apr-23	Addition	Deduction	As on 31-Mar-24	As on 01-Apr-23	for the year	Deduction	As on 31-Mar-24	As on 31-Mar-24	As on 31-Mar-23
<b>(i) Property, Plant and Equipment</b>										
Furniture and Fixtures	340.29	19.97	-	360.26	45.00	32.96	-	77.96	282.30	295.29
Vehicles	22.46	-	-	22.46	3.45	2.67	-	6.12	16.34	19.01
Office equipment	48.38	3.77	-	52.14	11.12	9.62	-	20.74	31.41	37.26
Computers & Printers	45.58	3.29	-	48.87	20.51	14.93	-	35.44	13.43	25.07
Electric Installation	62.56	4.91	-	67.47	8.42	6.19	-	14.61	52.86	54.14
<b>Total</b>	519.27	31.94	-	551.21	88.50	66.37	-	154.87	396.34	430.77
<b>Previous Year</b>	425.81	93.45	-	519.27	28.28	60.21	-	88.50	430.77	397.53
<b>(ii) Intangible Assets</b>										
Brands /trademarks	11.00	-	-	11.00	0.00	1.49	-	1.49	9.51	11.00
Computer software	43.29	11.92	-	55.20	11.84	14.78	-	26.62	28.58	31.45
<b>Total</b>	54.29	11.92	-	66.20	11.84	16.28	-	28.11	38.09	42.45
<b>Previous Year</b>	29.44	24.84	-	54.29	3.02	8.81	-	11.84	42.45	26.42

**Fonebox Retail Limited (formerly Known as Fonebox Retail Private Limited)**

(CIN: L51909GJ2021PLC119941)

**Notes forming part of the Financial Statements****12 Other non current assets**

(₹ in lacs)

Particulars	31 March 2024	31 March 2023
Security Deposits		
-Rent Deposit	79.84	73.39
Others		
-Preliminary Expenses	7.49	10.03
<b>Total</b>	<b>87.33</b>	<b>83.42</b>

**13 Inventories**

(₹ in lacs)

Particulars	31 March 2024	31 March 2023
Stock-in-trade	2,970.45	2,290.20
<b>Total</b>	<b>2,970.45</b>	<b>2,290.20</b>

**14 Trade receivables**

(₹ in lacs)

Particulars	31 March 2024	31 March 2023
Unsecured considered good	142.56	317.93
<b>Total</b>	<b>142.56</b>	<b>317.93</b>

**14.1 Trade Receivables ageing schedule as at 31 March 2024**

(₹ in lacs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables-considered good	120.22	8.18	14.16	-	-	142.56
Undisputed Trade Receivables-considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables considered good	-	-	-	-	-	-
Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
Sub total						<b>142.56</b>
Undue - considered good						-
Undue - considered doubtful						-
Provision for doubtful debts						-
<b>Total</b>						<b>142.56</b>

## 14.2 Trade Receivables ageing schedule as at 31 March 2023

(₹ in lacs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables-considered good	317.03	0.47	0.43	-	-	317.93
Undisputed Trade Receivables-considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables considered good	-	-	-	-	-	-
Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
<b>Sub total</b>						<b>317.93</b>
Undue - considered good						-
Undue - considered doubtful						-
Provision for doubtful debts						-
<b>Total</b>						<b>317.93</b>

## 15 Cash and cash equivalents

(₹ in lacs)

Particulars	31 March 2024	31 March 2023
Cash on hand	155.95	64.12
Balances with banks in current accounts	1,188.43	0.93
Others		
-Card & Wallet Balance	23.40	26.81
<b>Total</b>	<b>1,367.78</b>	<b>91.86</b>

## 16 Short term loans and advances

(₹ in lacs)

Particulars	31 March 2024	31 March 2023
Loans and advances to employees	-	0.05
Advances to suppliers	26.87	36.02
Balances with Government Authorities	703.19	563.19
<b>Total</b>	<b>730.06</b>	<b>599.26</b>

## 17 Other current assets

(₹ in lacs)

Particulars	31 March 2024	31 March 2023
Insurance Claims Receivable	-	3.72
Interest Receivable	2.08	1.08
Prepaid Expenses	3.93	0.36
Scheme Incentive Receivable	389.97	440.55
Trade Deposits	20.37	-
<b>Total</b>	<b>416.35</b>	<b>445.71</b>

**18 Revenue from operations**

(₹ in lacs)

Particulars	31 March 2024	31 March 2023
Sale of products		
-Sale of Goods	29,672.66	19,582.60
Other operating revenues		
-Commission	76.05	43.14
-Other	11.81	-
<b>Total</b>	<b>29,760.52</b>	<b>19,625.74</b>

**19 Other Income**

(₹ in lacs)

Particulars	31 March 2024	31 March 2023
Interest Income		
-Interest on income Tax Refund	2.36	0.35
Cessation Of Liability	3.63	-
<b>Total</b>	<b>5.99</b>	<b>0.35</b>

**20 Purchases of stock in trade**

(₹ in lacs)

Particulars	31 March 2024	31 March 2023
Purchase of Goods	27,557.32	18,907.49
<b>Total</b>	<b>27,557.32</b>	<b>18,907.49</b>

**21 Change in Inventories of work in progress and finished goods**

(₹ in lacs)

Particulars	31 March 2024	31 March 2023
<b>Opening Inventories</b>		
Stock-in-trade	2,290.20	1,052.15
<b>Less: Closing Inventories</b>		
Stock-in-trade	2,970.45	2,290.20
<b>Total</b>	<b>(680.25)</b>	<b>(1,238.05)</b>

**22 Employee benefit expenses**

(₹ in lacs)

Particulars	31 March 2024	31 March 2023
Contribution to provident and other funds	5.47	5.01
Gratuity Expenses	2.25	5.27
Salaries, allowances and others	325.35	314.02
<b>Total</b>	<b>333.07</b>	<b>324.30</b>

**Defined Benefit Plan****Changes in the present value of the defined benefit obligation**

(₹ in lacs)

Particulars	31 March 2024	31 March 2023
	<b>Gratuity</b>	
Defined Benefit Obligation at beginning of the year	5.26	-
Current Service Cost	3.96	5.26
Interest Cost	0.39	-
Actuarial (Gain) / Loss	(2.10)	-
Benefits Paid	-	-
<b>Defined Benefit Obligation at year end</b>	<b>7.51</b>	<b>5.26</b>

**Changes in the fair value of plan assets**

(₹ in lacs)

Particulars	31 March 2024	31 March 2023
	<b>Gratuity</b>	
Fair value of plan assets as at the beginning of the year	-	-
Expected return on plan assets	-	-
Contributions	-	-
Benefits paid	-	-
Actuarial gain/ (loss) on plan assets	-	-
<b>Fair value of plan assets as at the end of the year</b>	<b>-</b>	<b>-</b>

**Reconciliation of present value of defined benefit obligation and fair value of assets**

(₹ in lacs)

Particulars	31 March 2024	31 March 2023
	<b>Gratuity</b>	
Present value obligation as at the end of the year	7.51	5.26
Fair value of plan assets as at the end of the year	-	-
Funded status/(deficit) or Unfunded net liability	7.51	5.26
Unfunded net liability recognized in balance sheet	7.51	5.26
<b>Amount classified as:</b>		
Short term provision	0.02	0.01
Long term provision	7.49	5.25

**Expenses recognized in Profit and Loss Account**

(₹ in lacs)

Particulars	31 March 2024	31 March 2023
	<b>Gratuity</b>	
Current service cost	3.96	5.26
Interest cost	0.39	-
Deficit in acquisition cost recovered	-	-
Expected return on plan assets	-	-
Net actuarial loss/(gain) recognized during the year	(2.10)	-
<b>Total expense recognised in Profit and Loss</b>	<b>2.25</b>	<b>5.26</b>

**Investment details of the Plan Assets**

(₹ in lacs)

Particulars	31 March 2024	31 March 2023
	<b>Gratuity</b>	
Government of India Securities	-	-
Corporate Bonds	-	-
Insurer Managed Fund	-	-
Special Deposit Scheme	-	-
Others	-	-
<b>Total Fund Balance</b>	<b>-</b>	<b>-</b>

### Actuarial assumptions

Particulars	31 March 2024	31 March 2023
	<b>Gratuity</b>	
Discount Rate	7.19%	7.35%
Expected Rate of increase in Compensation Level	7.00%	7.00%
Expected Rate of return on Plan assets	NA	NA
Mortality Rate	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
Retirement Rate	60 years	60 years
Average Attained Age	32.47 Years	30.33 Years
	For service 4 years and below	For service 4 years and below
Withdrawal Rate	20.00% p.a. For service 5 years and above	20.00% p.a. For service 5 years and above
	10.00% p.a.	10.00% p.a.

### General Description of the Plan

The Entity operates gratuity plan through a trust wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on termination of service or retirement, whichever is earlier. The benefit vests after five years of continuous service. In case of some employees, the Entity's scheme is more favourable as compared to the obligation under Payment of Gratuity Act, 1972.

### Net assets/liability & actuarial experience gain/(loss) for present benefit obligation ('PBO') and plan assets

(₹ in lacs)

Particulars	Year 1	Year 2	Year 3	Year 4	Year 5
PBO	7.51	5.26	-	-	-
Plan assets	-	-	-	-	-
Net assets/(liability)	-	-	-	-	-
Experience gain/(loss) on PBO	-	-	-	-	-
Experience gain/(loss) on plan assets	-	-	-	-	-
Actuarial gain due to change in	-	-	-	-	-

### 23 Finance costs

(₹ in lacs)

Particulars	31 March 2024	31 March 2023
Interest expense	57.35	97.33
Other borrowing costs	1.08	3.38
<b>Total</b>	<b>58.43</b>	<b>100.71</b>

### 24 Depreciation and amortization expenses

(₹ in lacs)

Particulars	31 March 2024	31 March 2023
Amortization of intangible assets	16.28	8.82
Depreciation on property, plant and equipment	66.37	60.21
<b>Total</b>	<b>82.65</b>	<b>69.03</b>

**25 Other expenses**

(₹ in lacs)

Particulars	31 March 2024	31 March 2023
Advertisement	65.47	57.63
Auditors' Remuneration	7.20	4.10
Bank and Card Swapping Charges	349.34	225.20
Commission	860.94	369.19
Communication charges	1.91	1.36
Insurance	6.08	3.04
Legal and Professional Fees	12.67	12.39
Miscellaneous expenses	67.73	68.91
Nexxa Warranty Claim	14.98	10.71
Power and fuel	84.51	79.92
Preliminary Expenses W/Off	2.54	2.54
Printing & Stationary	7.55	12.88
Rates and taxes	14.31	6.03
Rent	417.73	374.53
Repair & Maintenance Building	14.25	5.03
Repair & Maintenance Others	0.40	0.38
Repair & Maintenance Plant & Machinery	3.41	2.47
Travelling and conveyance	7.11	6.31
<b>Total</b>	<b>1,938.13</b>	<b>1,242.62</b>

**26 Exceptional item**

(₹ in lacs)

Particulars	31 March 2024	31 March 2023
Loss Due To Theft	-	0.25
<b>Total</b>	<b>-</b>	<b>0.25</b>

**27 Tax Expenses**

(₹ in lacs)

Particulars	31 March 2024	31 March 2023
Current Tax		
-Income Tax Expense	137.36	60.54
Deferred Tax		
-Deferred Tax Expense	(3.71)	(0.67)
Excess/Short Provision Written back/off	0.35	-
<b>Total</b>	<b>134.00</b>	<b>59.87</b>

## Fonebox Retail Limited (formerly Known as Fonebox Retail Private Limited)

(CIN: L51909GJ2021PLC119941)

### Notes forming part of the Financial Statements

#### 28 Earning per share

Particulars	31 March 2024	31 March 2023
Profit attributable to equity shareholders (Rs. in lacs)	343.16	159.87
Weighted average number of Equity Shares	76,14,098	35,00,000
Earnings per share basic (Rs)	4.51	4.57
Earnings per share diluted (Rs)	4.51	4.57
Face value per equity share (Rs)	10	10

#### 29 Auditors' Remuneration

(₹ in lacs)

Particulars	31 March 2024	31 March 2023
<b>Payments to auditor as</b>		
- Auditor	7.20	4.10
<b>Total</b>	<b>7.20</b>	<b>4.10</b>

#### 30 Micro and Small Enterprise

(₹ in lacs)

Particulars	31 March 2024		31 March 2023	
	Principal	Interest	Principal	Interest
Amount Due to Supplier	328.39	-	364.97	-
Principal amount paid beyond appointed date	-	-	-	-
Interest due and payable for the year	-	-	-	-
Interest accrued and remaining unpaid	-	-	-	-
Interest paid other than under Section 16 of MSMED Act to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-	-	-
Interest paid under Section 16 of MSMED Act to suppliers registered under the MSMED Act beyond the appointed day during the year.	-	-	-	-
Further interest remaining due and payable for earlier years.	-	-	-	-

The Company is in the process of compilation of details of amounts due to small scale industrial units, and Further, the details from the vendors have been sought as to whether they are covered under MSMED Act 2006 (as amended from time to time) or not. and only the vendors who have informed their status as MSME to the company have been consider for above report.



### 31 Related Party Disclosure

#### (i) List of Related Parties

##### Enterprises over which KMP of the Company have control

- Kriva Mobitech Private Limited
- Paradise Markcom Private Limited
- Phonewale Limited

##### Key Managerial Personnel

- Parth Lallubhai Desai (Executive Director & CFO)
- Charmi Vansh Shah (Company Secretary)
- Amitkumar Gopalbhai Patel (Managing Director)
- Jigneshkumar Dashrathlal Parekh (Whole-time director)
- Manishkumar Girishbhai Patel (Chairman & Executive Director)
- Jaykumar Deepakbhai Khatnani (Independent Director)
- Bhavisha Kunal Chauhan (Independent Director)
- Aayush Kamleshbhai Shah (Independent Director)
- Sumitkumar Hareshbhai Patel (Independent Director)
- Urvashi Jayeshbhai Gandhi (Company Secretary)

##### Relative of Key Managerial Personnel

- Jigar Lallubhai Desai
- Binaben Manishkumar Patel
- Rushi Manishkumar Patel
- Kantaben Ambalal Patel

##### Relative of Key Managerial Personnel

- Dashrathbhai Parekh
- Rupalben Jigneshkumar Parekh
- Savitaben Dasharathlal Parekh

#### (ii) Related Party Transactions

(₹ in lacs)

Particulars	31 March 2024	31 March 2023
<b>Transactions with Enterprises over which KMP of the Company have control</b>		
Purchases		
- Paradise Markcom Private Limited	2,757.97	2,142.79
- Phonewale Limited	4,393.22	4,041.16
- Kriva Mobitech Private Limited	-	21.47
Sales		
- Paradise Markcom Private Limited	185.31	56.97
- Phonewale Limited	67.65	346.67
- Kriva Mobitech Private Limited	-	0.30
<b>Transactions with Relative of Key Managerial Personnel</b>		
Interest Paid		
- Binaben Manishkumar Patel	-	6.53
- Jigar Lallubhai Desai	-	10.94
- Rushi Manishkumar Patel	-	0.38
- Kantaben Ambalal Patel	-	3.30
Unsecured Loan Taken		
- Jigar Lallubhai Desai	-	30.00
- Kantaben Ambalal Patel	-	29.00
Unsecured Loan Repaid		
- Binaben Manishkumar Patel	60.25	-
- Jigar Lallubhai Desai	110.67	-
- Kantaben Ambalal Patel	31.97	-
- Rushi Manishkumar Patel	3.53	-
<b>Continued to next page</b>		

**Related Party Transactions**

(₹ in lacs)

Particulars	31 March 2024	31 March 2023
<b>Continued from previous page</b>		
<b>Transactions with Key Managerial Personnel</b>		
Interest Paid		
- Amitkumar Gopalbhai Patel (Managing Director)	1.14	-
- Jigneshkumar Dashrathlal Parekh (Whole-time director)	16.10	-
- Manishkumar Girishbhai Patel (Chairman & Executive Director)	9.74	7.96
- Parth Lallubhai Desai (Executive Director & CFO)	2.57	10.63
Unsecured Loan Taken		
- Amitkumar Gopalbhai Patel (Managing Director)	15.25	-
- Jigneshkumar Dashrathlal Parekh (Whole-time director)	258.50	-
- Manishkumar Girishbhai Patel (Chairman & Executive Director)	100.00	150.00
- Parth Lallubhai Desai (Executive Director & CFO)	19.66	50.00
Unsecured Loan Repaid		
- Amitkumar Gopalbhai Patel (Managing Director)	16.28	-
- Jigneshkumar Dashrathlal Parekh (Whole-time director)	272.99	-
- Manishkumar Girishbhai Patel (Chairman & Executive Director)	177.77	150.00
- Parth Lallubhai Desai (Executive Director & CFO)	132.37	-
Remuneration of KMP		
- Charmi Vansh Shah (Company Secretary)	3.36	-
- Urvashi Jayeshbhai Gandhi (Company Secretary)	0.52	-
Director Sitting Fees		
- Aayush Kamleshbhai Shah (Independent Director)	0.51	-
- Bhavisha Kunal Chauhan (Independent Director)	0.51	-
- Jaykumar Deepakbhai Khatnani (Independent Director)	0.51	-
- Sumitkumar Hareshbhai Patel (Independent Director)	0.51	-

**(iii) Related Party Balances**

(₹ in lacs)

Particulars	31 March 2024	31 March 2023
<b>Balances with Enterprises over which KMP of the Company have control</b>		
Payables		
- Phonewale Limited	21.73	150.11
- Paradise Markcom Private Limited	82.18	227.92
Receivable		
- Phonewale Limited	22.68	206.45
- Paradise Markcom Private Limited	-	-
<b>Balances with Key Managerial Personnel</b>		
Payables		
- Amitkumar Gopalbhai Patel (Managing Director)	-	-
- Jigneshkumar Dashrathlal Parekh (Whole-time director)	-	-
- Manishkumar Girishbhai Patel (Chairman & Executive Director)	-	69.00
- Parth Lallubhai Desai (Executive Director & CFO)	-	110.41
- Charmi Vansh Shah (Company Secretary)	0.48	-
- Aayush Kamleshbhai Shah (Independent Director)	0.17	-
- Bhavisha Kunal Chauhan (Independent Director)	0.17	-
- Jaykumar Deepakbhai Khatnani (Independent Director)	0.17	-
- Sumitkumar Hareshbhai Patel (Independent Director)	0.17	-
- Urvashi Jayeshbhai Gandhi (Company Secretary)	-	-
<b>Balances with Relative of Key Managerial Personnel</b>		
- Binaben Manishkumar Patel	-	60.25
- Jigar Lallubhai Desai	-	110.67
- Rushi Manishkumar Patel	-	3.53
- Kantaben Ambalal Patel	-	31.97

## Related Party Transactions

Jigneshkumar Dashrathlal Parekh Appointed as Whole-time director w.e.f. 18/04/2023

Parth Lallubhai Desai Appointed as CFO w.e.f. 22/04/2023

Jaykumar Deepakbhai Khatnani, Bhavisha Kunal Chauhan, Aayush Kamleshbhai Shah, Sumitkumar Hareshbhai Patel Appointed as Independent Directors w.e.f. 19/06/2023

Charmi Vansh Shah Appointed as Company Secretary w.e.f. 25/08/2023, Urvashi Jayeshbhai Gandhi Appointed as Company Secretary w.e.f. 06/06/2023 and Resigned w.e.f. 08/07/2023.

Jigar Lallubhai Desai Resigned as CFO w.e.f. April 22, 2023, Kriva Mobitech Private Limited Ceased to be related party w.e.f. 10/11/2023.

## 32 Utilization of IPO Fund

(₹ in lacs)

Particulars	Amount allotted for the Object	Amount Utilised till 31/03/2024	Difference	Remark
Working Capital Requirements	1,350.00	1,350.00	-	The Company has utilised entire proceeds of IPO
General corporate purposes	505.00	505.00	-	
Public Issue Expenses	182.00	182.00	-	
<b>Total</b>	<b>2,037.00</b>	<b>2,037.00</b>	<b>-</b>	<b>-</b>

The Company has utilized the entire proceeds of Initial Public Offerings ("IPO") as per the objects of the IPO mentioned in the Prospectus dated 30th January, 2024 as detailed above.

## 33 Security of Current Assets Against Borrowings

Quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company except stated below.

### Reconciliation between Current Assets as per Quarterly statement filed with Bank and Current Asset as per Books of Account

(₹ in lacs)

Particulars	Jun, 2023	Sept, 2023	Dec, 2023	Mar, 2024
Current Assets as per Quarterly Return filed with Bank	2,919.08	2,863.47	2,949.45	3,015.21
<b>Add:</b>				
Purchase Bill accounted later	8.95	-	21.75	33.30
Trade advance receivable not considered	3.20	63.16	16.51	64.50
<b>Less:</b>				
Receipt from customers accounted later	73.44	-	43.30	-
Purchase Return accounted later	-	10.63	-	-
<b>Current Assets as per Books of Account</b>	<b>2,857.79</b>	<b>2,916.01</b>	<b>2,944.41</b>	<b>3,113.01</b>

### 34 Ratio Analysis

Particulars	Numerator/Denominator	31 March 2024	31 March 2023	Change in %
(a) Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	4.14	1.29	220.25%
(b) Debt-Equity Ratio	$\frac{\text{Total Debts}}{\text{Shareholder's Equity}}$	0.01	4.80	-99.87%
(c) Debt Service Coverage Ratio	$\frac{\text{Earning available for Debt Service}}{\text{Debt Service}}$	7.63	3.13	144.05%
(d) Return on Equity Ratio	$\frac{\text{Profit after Tax}}{\text{Average Shareholder's Equity}}$	21.34%	113.90%	-81.26%
(e) Inventory turnover ratio	$\frac{\text{Total Turnover}}{\text{Average Inventories}}$	11.31	11.74	-3.66%
(f) Trade receivables turnover ratio	$\frac{\text{Total Turnover}}{\text{Average Account Receivable}}$	129.26	72.00	79.52%
(g) Trade payables turnover ratio	$\frac{\text{Total Purchases}}{\text{Average Account Payable}}$	19.77	12.89	53.36%
(h) Net capital turnover ratio	$\frac{\text{Total Turnover}}{\text{Net Working Capital}}$	6.97	23.17	-69.91%
(i) Net profit ratio	$\frac{\text{Net Profit}}{\text{Total Turnover}}$	1.15%	0.81%	41.56%
(j) Return on Capital employed	$\frac{\text{Earning before interest and taxes}}{\text{Capital Employed}}$	17.76%	24.95%	-28.82%
(k) Return on investment	$\frac{\text{Return on Investment}}{\text{Total Investment}}$	0.00%	0.00%	

#### Remarks for variance more than 25%

(a) Current Ratio : Movement in ratio is due to increase in current assets and decrease in current liabilities.

(b) Debt-Equity Ratio : Movement in ratio is due to increase in Shareholder's Equity.

(c) Debt Service Coverage Ratio : Movement in ratio is due to improvement in EBIT and reduction in net debt servicing during the year.

(d) Return on Equity Ratio : Movement in ratio is due to increase in Shareholder's Equity.

(e) Inventory turnover ratio : Not applicable

(f) Trade receivables turnover ratio : Increase in ratio is due to turnover has increased and decrease in average account receivables.

(g) Trade payables turnover ratio : Increase in ratio is due to purchases has increased and decrease in average account payable.

(h) Net capital turnover ratio : Movement in ratio is due to increase in net working capital.

(i) Net profit ratio : Increase in ratio is due to increase in revenue and increase in net profit.

(j) Return on Capital employed : Movement in ratio is due to increase in Capital Employed.

(k) Return on investment : Not applicable

### 35 Other Statutory Disclosures as per the Companies Act, 2013

- (i) The company does not have any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the company.
- (ii) There are no Capital-Work-in Progress so the ageing schedule for the same is not applicable.
- (iii) There are no intangible assets under development so the ageing schedule for the same is not applicable.
- (iv) The company has not granted any loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013) either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment.
- (v) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (vi) The Company is not declared as wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
- (vii) There is no transaction with the stuck-off company during the financial year.
- (viii) There are no charges or satisfaction yet to be registered with Registrar of Companies (ROC) beyond the statutory period.
- (ix) The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with the Companies ( Restriction on number of Layers) Rules, 2017.
- (x) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (xi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (xii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)
- (xiii) The Company is not covered under Section 135 of the Companies Act, 2013 and is not required to make CSR contribution.
- (xiv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (xv) The Company has not revalued any of its Property, Plant and Equipment during the year.
- (xvi) The Company doesn't have any contingent liabilities.
- (xvii) The company has not entered into any Scheme of Arrangements which has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- (xviii) The company doesn't have any subsidiary as on the Balance sheet date and accordingly no consolidation to the Financials Statements are require to be prepared.

### 36 Subsequent Events

The Company has evaluated subsequent events from the balance sheet date till the date at which the financial statements were available to be issued, and determined that there are no material items to disclose other than those disclosed above.

### 37 Regrouping

Previous year's figures are regrouped or rearranged to make them comparable with those of current year.

As per our report of even date

**For R K KOTADIYA & CO LLP**

Chartered Accountants

Firm's Registration No. 136884W/W100931

**For and on behalf of the Board of**

**Fonebox Retail Limited (formerly Known as Fonebox Retail Private Limited)**

Sd/-

**Rajesh Kotadiya**

Partner

Membership No. 142120

UDIN:

Place: Ahmedabad

Date: 29 May 2024

Sd/-

**Manish G. Patel**

Chairman &  
Executive Director

DIN-01436792

Sd/-

**Parth L. Desai**

Executive Director  
& CFO

DIN-01452248

Sd/-

**Amitkumar G. Patel**

Managing Director

DIN-08472609

Sd/-

**Charmi V. Shah**

Company Secretary

PAN: GUXPS8901M

Place: Ahmedabad

Date: 29 May 2024