

**FONEBOX RETAIL LIMITED**  
**ANNUAL REPORT 2022-2023**

## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS**

AMITKUMAR GOPALBHAI PATEL	MANAGING DIRECTOR
MANISHBHAI GIRISHBHAI PATEL	DIRECTOR
JIGNESHKUMAR DASHRATHLAL PAREKH	WHOLE-TIME DIRECTOR (APPOINTMENT W.E.F 18.04.2023)
PARTH LALLUBHAI DESAI	CHIEF FINANCIAL OFFICER (APPOINTMENT AS CFO W.E.F 22.04.2023)
JAYKUMAR DEEPAKBHAI KHATNANI	INDEPENDENT DIRECTOR (APPOINTMENT W.E.F 19.06.2023)
BHAVISHA KUNAL CHAUHAN	INDEPENDENT DIRECTOR (APPOINTMENT W.E.F 19.06.2023)
AAYUSH KAMLESHBHAI SHAH	INDEPENDENT DIRECTOR (APPOINTMENT W.E.F 19.06.2023)
SUMITKUMAR HARESHBHAI PATEL	INDEPENDENT DIRECTOR (APPOINTMENT W.E.F 19.06.2023)
CHARMI VANSH SHAH	COMPANY SECRETARY(APPOINTMENT W.E.F 25.08.2023)

### **STATURATORY AUDITOR**

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

(Formerly known as R K Kotadiya & Co)

CHARTERED ACCOUNTANTS

A-203, KRISHNA COMPLEX, OPP. DEVASHISH BUSINESS PARK, BODAKDEV,  
AHMEDABAD-380015

### **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.

**FONEBOX RETAIL LIMITED**

(Formerly Known as Fonebox Retail Private Limited)

CIN : U51909GJ2021PLC119941

**NOTICE OF 3<sup>RD</sup> ANNUAL GENERAL MEETING**

NOTICE is hereby given that the 03<sup>RD</sup> (THIRD) ANNUAL GENERAL MEETING of the Members of FONEBOX RETAIL LIMITED will be held on Saturday, September 30, 2023 at 02.00 P.M. at the Registered Office of the Company situated at 702/703, 7th Floor, Satyam 64 Opp. Gujarat High Court, SG Road, Ahmedabad -380061 Gujarat India to transact the following BUSINESSES.

**ORDINARY BUSINESS:**

**1. TO CONSIDER AND ADOPT THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023 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 31st March, 2023, 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. MANISHBHAI GIRISHBHAI PATEL (DIN:01436792), 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. MANISHBHAI GIRISHBHAI PATEL(DIN:01436792), 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.”

**3. RATIFICATION OF APPOINTMENT OF STATUTORY AUDITOR**

To ratify appointment of Auditor M/s. R K Kotadiya & Co LLP in place of M/s. R K Kotadiya & Co, pursuant to change of constitution of the Auditor from partnership firm to Limited Liability Partnership (“LLP”) and fix their remuneration.

**“RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), consent of the members of the Company be and is hereby granted to approve and consider the change of name of Statutory Auditor firm of the Company from M/S R K KOTADIYA & CO, (FRN:136884W), Ahmedabad to M/S R K KOTADIYA & CO LLP, Chartered Accountants (FRN:136884W/W100931), Ahmedabad pursuant to its conversion from Proprietor Firm to LLP on the same terms and conditions including remuneration and tenure on which M/S R K KOTADIYA & CO. was appointed by the shareholders and board of directors of the Company.”

702/703, 7<sup>th</sup> Floor, Satyam 64, Opp. Gujarat High Court, S.G. Road, Ahmedabad, Gujarat - 380061.

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## FONEBOX RETAIL LIMITED

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CIN : U51909GJ2021PLC119941

**“RESOLVED FURTHER THAT** the Board of Directors of the company be and are hereby authorised to do all such acts, deeds and things as are necessary to give effect to this resolution.”

**Date: 07/09/2023**

**Place: Ahmedabad**

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

**Name: Amitkumar Gopalbhai Patel**

**Designation: Managing Director**

**DIN: 08472609**

**Registered Office :702/703, 7TH Floor, Satyam 64**

**Opp. Gujarat High Court, SG Road Ahmedabad**

**380061 Gujarat, India**

### NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and proxy must be a member of the company.
2. Proxies, in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
3. During the period beginning 24 hours before the time fixed for the commencement of Meeting and ending with the conclusion of the Meeting, a Member would be entitled to inspect the proxies lodged at any time during the business hours of the company.
4. Members/proxies are requested to bring the attendance slips duly filled in for attending the Meeting. Members are requested to write their Folio Number in the attendance slip for attending the Meeting.
5. Route map to the venue of Meeting is provided at the end of this Notice.
6. All documents referred to in the Notice and accompanying explanatory statement are open 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 and at the venue of the Meeting for the duration of the Meeting.



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## FONEBOX RETAIL LIMITED

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### ANNEXURE-1

#### DETAILS OF THE DIRECTOR(S) SEEKING APPOINTMENT /RE-APPOINTMENT (PERSUANT TO SECRETARIAL STANDARD 2 ON GENERAL MEETINGS)

Sr. No.	Particulars	
1.	Name of Director	Mr. Manishbhai Girishbhai Patel
2.	Age & Date of Birth	50 Years & November 01, 1972
3.	Date of first appointment on the Board	03/02/2021
4.	Relationship with other Directors	No
5.	Qualifications	Bachelor in Engineering (Electrical)
6.	Experience	17 Years
7.	Board Membership in other Companies as on March 31, 2023	Bandhan Foods Private Limited Pratham Infratel Private Limited Phonewale Limited
8.	Chairman / Member of the Committee of the Board of directors in other companies as on March 31, 2023	Member in Audit Committee of Phonewale Limited Chairman in CSR Committee of Phonewale Limited
9.	Number of Shares held in the Company as on March 31, 2023	1,25,000
10.	Number of Meetings of the Board attended during the year	Ten (10)
11.	Details of Remuneration	Not exceeding Rs.15,00,000/- p.a.





## FONEBOX RETAIL LIMITED

( Formerly Known as Fonebox Retail Private Limited )

CIN : U51909GJ2021PLC119941

### ATTENDANCE SLIP

Regd. Folio No./DP Id No.*/Client Id No.*	
No. of Shares held	
Name and Address of the First Shareholder (IN BLOCK LETTERS)  (Applicable for investor holding shares in electronic form.)	
Name of the Joint holder (if any)	

I/we hereby record my/our presence at the 3<sup>rd</sup> Annual General Meeting of Fonebox Retail Limited held on Saturday, September 30, 2023 at 02:00 P.M. at the registered office of the Company situated at 702/703, 7th Floor, Satyam 64 Opp. Gujarat High Court, Sg Road, Ahmedabad -380061 Gujarat India.

\_\_\_\_\_  
Member's/Proxy's Name in Block Letters

\_\_\_\_\_  
Member's/Proxy's Signature

**Notes:** Please fill up this attendance slip and hand it over at the entrance of the venue of meeting.

-----Please tear here-----

### PROXY FORM

**(Form No. MGT-11 - Pursuant to section 105(6) of the Companies Act, 2013 Rules made thereunder)**

Name of the member(s)	
Registered Address	
E-mail Id	
Folio No/Client Id	
DP Id	



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## FONEBOX RETAIL LIMITED

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I/We, being the member (s) of.....shares of the above named company, hereby appoint

1. Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mailId: \_\_\_\_\_ Signature: \_\_\_\_\_

or failing him

2. Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mailId: \_\_\_\_\_ Signature: \_\_\_\_\_

or failing him

3. Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mailId: \_\_\_\_\_ Signature: \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 3<sup>rd</sup> Annual General Meeting of Fonebox Retail Limited to be held on Saturday, September 30, 2023 at 02:00 P.M. at the registered office of the Company situated at 702/703, 7th Floor, Satyam 64 Opp. Gujarat High Court, SG Road, Ahmedabad -380061 Gujarat India and/or any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	Vote (Optional see Note 2) (Please mention no. of shares)		
		For	Against	Abstain
<i>Ordinary businesses</i>				
1)	<b>TO CONSIDER AND ADOPT THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL</b>			



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	YEAR ENDED 31ST MARCH, 2023 ALONG WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON, IN THIS REGARD, TO PASS THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION			
2)	TO CONSIDER APPOINTMENT OF MR. MANISHBHAI GIRISHBHAI PATEL (DIN:01436792), WHO RETIRES BY ROTATION AND BEING ELIGIBLE, OFFER HIMSELF FOR RE-APPOINTMENT AND IN THIS REGARD PASS THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION			

Signed this.....day of.....2023

Affix
Revenue
Stamp of not
less than

\_\_\_\_\_  
Signature of  
shareholder

\_\_\_\_\_  
Signature of Proxy  
holder(s)

### Note:

1. This form, in order to be effective, should be duly stamped, completed, signed and deposited at the registered office of the Company, not less than 48 hours before the Annual General Meeting (on or before September 28, 2023 at 02:00 P.M.)
2. It is optional to indicate your preference. If you leave the 'for', 'against' or 'abstain' column blank against any or all of the resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.



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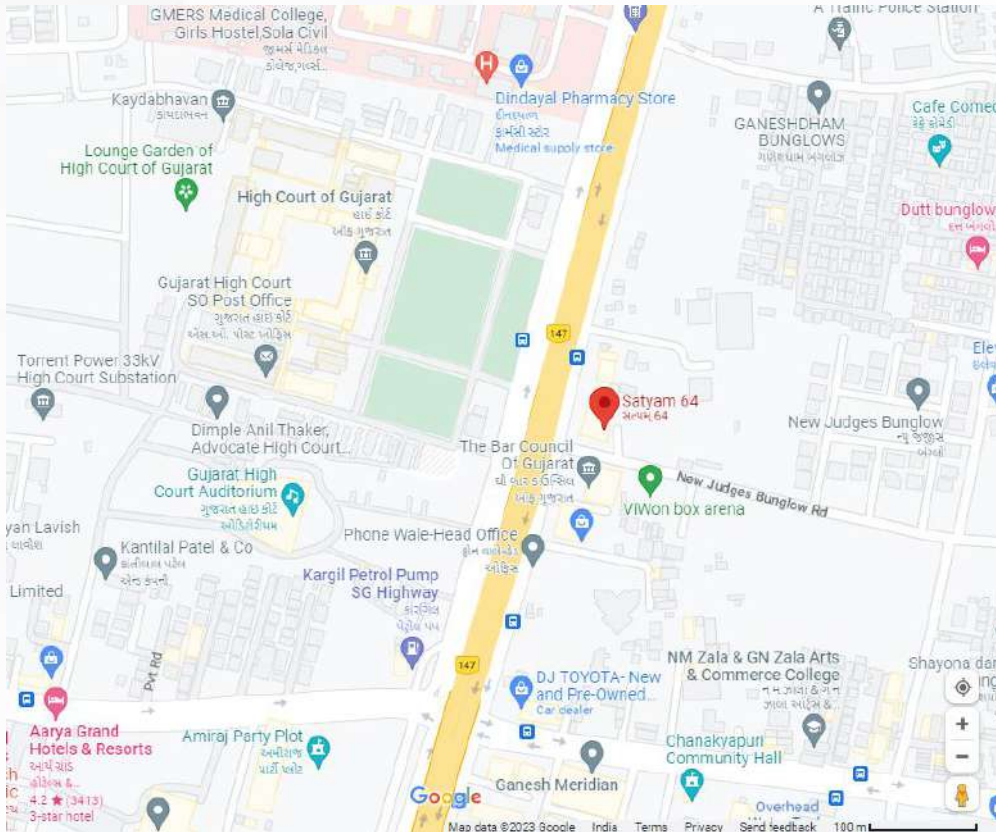


## FONEBOX RETAIL LIMITED

( Formerly Known as Fonebox Retail Private Limited )

CIN : U51909GJ2021PLC119941

### Route Map to the Venue of 3<sup>rd</sup> Annual general Meeting



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**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 3<sup>rd</sup> Annual Report on business and operations of the Company along with the Audited Financial Statements for the Financial Year ended March 31, 2023 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 2022-23:****(Amount in Rs.)**

<b>Particulars</b>	<b>31.03.2023</b>	<b>31.03.2022</b>
Total Revenue	1,96,25,73,577	90,92,33,142
Other Income	34,547	-
<b>Total Income</b>	<b>1,96,26,08,124</b>	<b>90,92,33,142</b>
<b>Profit (Loss) before Depreciation and Tax</b>	<b>2,89,00,240</b>	<b>50,49,895</b>
Less: Depreciation and amortisation	69,02,820	31,29,306
Less: Extraordinary/Exceptional Items	24,549	-
<b>Profit / (Loss) before Tax</b>	<b>2,19,72,871</b>	<b>19,20,589</b>
<b>Less: Tax Expenses</b>		
- Current Tax	60,53,810	2,99,610
- Deferred Tax	(67,510)	6,41,830
- MAT Credit Entitlement	-	(2,99,610)
<b>Profit / (Loss) After Tax, Extra-Ordinary &amp; Exceptional Items</b>	<b>1,59,86,517</b>	<b>12,78,759</b>
Earnings Per Share (EPS):		
- Basic	31.97	2.56
- Diluted	31.97	2.56

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

The Company continues to grow with its overall performance in the financial year 2022-23. The Directors are pleased to report that the company has generated total income of Rs. 1,96,25,73,577 as compared to Rs. 90,92,33,142 for the previous financial year. Likewise, profit before and after depreciation was Rs. 2,89,00,240 and Rs. 2,19,97,420 respectively as compared to Rs. 50,49,895 and Rs. 19,20,589 respectively for the previous financial year. During the year under review, your company recorded net Profit after taxation of Rs. 1,59,86,517 as compared Rs. 12,78,759 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. 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.

**5. SHARE CAPITAL:**

The paid-up equity shares capital of the Company as at March 31, 2023 is Rs. 50,00,000 [ Rs. Fifty Lakh Only] consisting of 5,00,000/- 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 bonus 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, 2023, none of the Directors of the Company hold instruments convertible into Equity Shares of the Company.

**6. ANNUAL RETURN:**

The Annual Return of the Company for the Financial Year 2022-23 in the prescribed format in Form MGT-7 is available on the website of the Company and the web-link of same is <https://fonebook.in/>

**7. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

Details of Board of Directors/KMP of the Company during the year comprises the following.

Sr. No.	Name	Designation	Date of appointment	Date of resignation
1.	Manishbhai Girishbhai Patel (DIN: 01436792)	Director	03-02-2021	-
2.	Amitkumar Gopalbhai Patel (DIN: 08472609)	Director	03-02-2021	-
3.	Parth Lallubhai Desai (DIN: 01452248)	Additional Executive Director	24-03-2023	-

All the directors of the Company have confirmed that they are not disqualified from being appointed as directors in terms of section 164 of the Companies Act, 2013.

**8. DECLARATION OF INDEPENDENT DIRECTORS:**

The provisions of section 149 pertaining to the appointment of Independent Directors do not apply to our company.

**9. PERFORMANCE EVALUATION OF THE BOARD OF DIRECTORS:**

The Company does not fall under criteria mentioned under Section 134(3)(p) of the Companies Act, 2013, therefore it is not required to indicate manner in which performance evaluation of individual directors and board as whole has been made.

**10. BOARD MEETINGS:**

During the year under review, there are Ten meeting of Board of Director were held. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013. The dates of the Board Meeting and attendance of each Directors are as follows.

Total Number of Board Meeting held during the year 2022-23 are as under;

Sr. No.	Date of Meeting	Total No. of directors as on the date of the Meeting	No. of directors attended the meeting
1.	12/04/2022	2	2
2.	29/06/2022	2	2
3.	29/08/2022	2	2
4.	01/09/2022	2	2
5.	19/11/2022	2	2
6.	31/12/2022	2	2
7.	01/03/2023	2	2
8.	17/03/2023	2	2
9.	24/03/2023	2	2
10.	27/03/2023	3	3

**11. 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 31st March, 2023, 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 31st March, 2023 and of the profit /loss of the Company for that period;
- 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 devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **12. COMMITTEES OF THE BOARD:**

The provisions of Section 135, 177 and 178 of the Companies Act, 2013 read with rule made thereunder are not applicable to the Company. Hence the Company has not constituted any committee of the Board of directors of the Company during the year under review.

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

As required under the provision of sub rule 2 of Rule 5 of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014, there is no employee who has been paid remuneration exceeding the limits as prescribed during the year under review.

#### **14. PARTICULARS OF LOANS, GUARANTEES & INVESTMENTS:**

The Company has not given any loans and guarantees or made investments in contravention of the provision of the Section 186 of the Companies Act.

#### **15. 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. The Company has not entered into any contract, arrangement or transaction with any related party which could be considered as material within the meaning of sub-section (1) of section 188 so this clause is not applicable.

Related party transactions under Accounting Standard – AS 18 are disclosed in the notes 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 -I** to this report.

#### **16. 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 to accounts of balance sheet.

#### **17. DIVIDEND:**

In view of requirement of reserve for further progress of company, the board does not recommend any amount to be declared as a dividend or interim dividend for the financial year 2022-23

#### **18. MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION:**

There were no material changes and commitments affecting the financial position of the company between the end of the financial year of the company to which the financial statements relate and the date of this report.

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

The Company is engaged in trading of mobile, communication and other electronic items. In view of the nature of activities of the Company, there is no substantial consumption of energy. The Board shall ensure to take steps for conservation of energy in the year to come.

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

**20. BUSINESS RISK MANAGEMENT:**

In today's economic environment, Risk Management is a very important part of business. The main aim of risk management is to identify, monitor and take precautionary measures in respect of the events that may pose risks for the business. Your Company's risk management is embedded in the business processes. Your company has identified the certain risk like price risk, uncertain global economic environment, interest rate, human resource, competition, compliance and industrial health and safety risk and also planned to manage such risk by adopting best management practice.

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

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

**22. 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.

**23. PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:**

The Company always ensures to make the workplace discrimination and harassment free and endeavors to keep a safe, secure, transparent and friendly working environment for its women employees.

The Company offers equal employment opportunities and is committed to create a healthy, safe, secure, transparent working environment that enables employees to work comfortably without fear of prejudice and gender bias, with a zero tolerance towards any kind of harassment including sexual harassment or discrimination.

No complaints on sexual harassment were received during the year Financial Year 2022-23.

**24. CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY:**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

**25. VIGIL MECHANISM:**

The Company is not covered under Section 177(9) of the Companies Act, 2013 read with the rules prescribed there under. The Company provides formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud to the Board. The mechanisms provide for adequate safeguards against victimization of employees and also provides for direct access to the Board of Directors of the Company.

During the year under review, no complaints has been received from employee or concerned person in respect of unethical behavior.

**26. AUDITORS:****A. Statutory Auditor**

M/S. R K KOTADIYA & CO ("the Firm") FRN: 136884W Chartered Accountants, has been appointed as Statutory Auditors of the Company for the period from the conclusion of Annual General Meeting for the year 2021-2022 to hold office up to the conclusion of annual general meeting for the year 2024-2025. We have received intimation from our Statutory Auditors M/S. R K KOTADIYA & CO., Chartered Accountants (FRN:136884W), Ahmedabad on 22nd August, 2023 regarding the change in constitution of their Firm, M/S. R K KOTADIYA & CO. into LLP, M/S R K KOTADIYA & CO LLP, Chartered Accountants (FRN:136884W/W100931), Ahmedabad with effect from 22nd August, 2023. Accordingly the Board of Directors in their meeting held on 25<sup>th</sup> August, 2023 took note of the same and recommended for ratification and approval of shareholders of the company for the change in name of the Statutory Auditor Firm due to conversion and appointment of M/S R K KOTADIYA & CO LLP., Chartered Accountants (FRN:136884W/W100931) on the same terms and conditions including remuneration for the remaining tenure for which M/S R K KOTADIYA & CO., Chartered Accountants, Ahmedabad (FRN:136884W) was appointed by the shareholders of the company.

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 there under for appointment as Auditors of the Company.

During the year under review, the Auditors have not reported any matter under Section 143 (12) of the Act and therefore no detail is required to be disclosed under Section 134(3) (ca) of the Companies Act, 2013. The Statutory Auditors' Report to the members for the year ended March 31, 2023 does not contain any qualification, reservation, adverse remark or disclaimer.

**B. Cost Auditor**

The compliance related to cost records under provision of Section 148 of the Companies Act, 2013, are not applicable to the Company.

**C. Secretarial Auditor**

The compliance related to appointment of secretarial auditor under provision of Section 204 of the Companies Act, 2013, are not applicable to the Company.

**27. 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.

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

During the year no Frauds are reported by the auditor under sub section 12 of section 143, other than those which are reportable to the Central Government.

**29. 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.

**30. 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

**31. 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.

**32. 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: 07/09/2023  
Place: Ahmedabad

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

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

## ANNEXURE-I

**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	Phone Wale - Directors / their Relatives are Partners	Purchase/Sales	This is running contract/ arrangement	Terms and conditions of contract / arrangement are decided by negotiation which is mutually beneficial.	29-06-2022	No amount received as advance
2	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.	29-06-2022	No amount received as advance

3	Phone Wale 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.	29-06-2022	No amount received as advance
4	Kriva Mobitech Private Limited	Purchase/ Sales	This is running contract/ arrangement	Terms and conditions of contract / arrangement are decided by negotiation which is mutually beneficial	29-06-2022	No amount received as advance

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

Date: 07/09/2023  
Place: Ahmedabad

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

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

**FONEBOX RETAIL LIMITED**

(Formerly known as  
FONEBOX RETAIL PRIVATE LIMITED)

**3<sup>rd</sup> AUDIT  
REPORT**

**FINANCIAL YEAR 2022-23**

**PREPARED BY**  
**R K KOTADIYA & CO**  
Chartered Accountants



## Independent Auditor's Report

To,  
The Members of  
M/S. 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 **M/s. Fonebox Retail Limited (formerly Known as Fonebox Retail Private Limited)** ('the Company'), which comprise the balance sheet as at 31 March 2023, 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 2023 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.

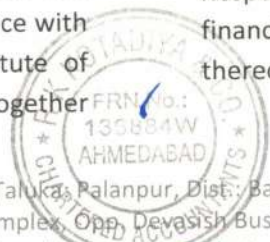
#### Key Audit Matters

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.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

#### 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.

#### **Management's Responsibility 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.

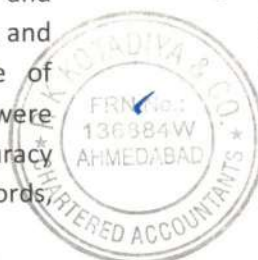
The Board of Director's are responsible for overseeing the Company's financial reporting process.

#### **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,

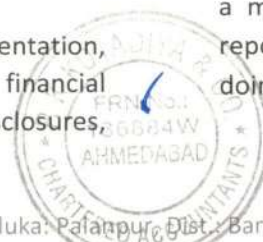
and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 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. Since the mandatory usage of audit trail compliant accounting software has been deferred to 1<sup>st</sup> day of April, 2023 vide Notification GSR 235(E) dated 31-03-2022, the reporting about its operation throughout the year is not tenable for the financial year 2022-23
- (h) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the limit prescribed by section 197 for maximum permissible managerial remuneration is not applicable to the company for the year ended March 31, 2023.

**For, R K KOTADIYA & CO**

Chartered Accountants

F. R. No.: 136884W

**Rajesh Kotadiya**

Partner

M. No.: 142120

Place: Ahmedabad

Date: 13th July, 2023

UDIN: 23142120BGRRFK7283



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

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2023, we report 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) As explained to us, all property, plant and equipment have been physically verified by the management annually which in our opinion 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 (45 of 1988) and rules made thereunder. Therefore, the provisions of Clause (i)(e) of paragraph 3 of the order are 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) 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 not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable

- (vi) The Central Government has not prescribed the maintenance of cost records under sub section (1) of section 148 of the company's act 2013 for any products of 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) According to the information and explanations given to us the company has not raise money by way of initial public offer or further public offer (including debt instruments) hence the clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of 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 whistleblower complaint during the year.

(xii) The Company is not a Nidhi Company. Therefore, paragraph of clause 3 (xii) of the Order are 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) The company is not covered by section 138 of the Companies Act, 2013, related to appointment of internal auditor of the company. Therefore, the company is not required to appoint any internal auditor. Therefore, the provisions of Clause (xiv) (a) and (b) of paragraph 3 of the order are not applicable to the Company.
- (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 him. Accordingly, paragraph of clause 3 (xv) of the Order are 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) of the Order are not applicable to the Company.  
(b) The company has not conducted any Non-Banking Financial or Housing Finance activities during the year.  
(c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.  
(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 in current financial year 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, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is 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.
- (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 are not applicable to the Company.

For, **R K KOTADIYA & CO**

Chartered Accountants

F. R. No.: 136884W

**Rajesh Kotadiya**

Partner

M. No.: 142120

Place: Ahmedabad

Date: 13th July, 2023

UDIN: 23142120BGRRFK7283



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

(Referred to in paragraph 2(f) under “Report on other legal and regulatory requirements” of our report 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 **M/s. Fonebox Retail Limited (formerly Known as Fonebox Retail Private Limited)**, (“The Company”) as of March 31, 2023 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, 2023, 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**

Chartered Accountants

F. R. No.: 136884W

**Rajesh Kotadiya**

Partner

M. No.: 142120

Place: Ahmedabad

Date: 13<sup>th</sup> July, 2023

UDIN: 23142120BGRRFK7283



**Fonebox Retail Limited (formerly Known as Fonebox Retail Private Limited)**  
**(CIN: U51909GJ2021PLC119941)**  
**Balance Sheet as at 31 March 2023**

(₹ in lacs)

Particulars	Note	31 March 2023	31 March 2022
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' funds</b>			
(a) Share Capital	1	50.00	50.00
(b) Reserves and Surplus	2	170.29	10.43
<b>Total</b>		<b>220.29</b>	<b>60.43</b>
<b>(2) Non-current liabilities</b>			
(a) Long-term Borrowings	3	9.64	14.63
(b) Deferred Tax Liabilities (net)	4	5.80	6.48
(c) Other Long-term Liabilities	5	1,162.56	366.90
(d) Long-term Provisions	6	5.25	-
<b>Total</b>		<b>1,183.25</b>	<b>388.01</b>
<b>(3) Current liabilities</b>			
(a) Short-term Borrowings	7	1,048.58	569.64
(b) Trade Payables	8		
- Due to Micro and Small Enterprises		364.97	160.97
- Due to Others		1,368.48	1,039.18
(c) Other Current Liabilities	9	46.45	10.22
(d) Short-term Provisions	10	69.58	14.28
<b>Total</b>		<b>2,898.06</b>	<b>1,794.29</b>
<b>Total Equity and Liabilities</b>		<b>4,301.60</b>	<b>2,242.73</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	430.77	397.53
(ii) Intangible Assets	11	42.45	26.42
(b) Long term Loans and Advances	12	-	3.00
(c) Other Non-current Assets	13	83.42	67.61
<b>Total</b>		<b>556.64</b>	<b>494.56</b>
<b>(2) Current assets</b>			
(a) Inventories	14	2,290.20	1,052.15
(b) Trade Receivables	15	317.93	227.22
(c) Cash and cash equivalents	16	91.86	44.53
(d) Short-term Loans and Advances	17	599.26	291.43
(e) Other Current Assets	18	445.71	132.84
<b>Total</b>		<b>3,744.96</b>	<b>1,748.17</b>
<b>Total Assets</b>		<b>4,301.60</b>	<b>2,242.73</b>

See accompanying notes to the financial statements

As per our report of even date  
**For R K KOTADIYA & CO**  
Chartered Accountants  
Firm's Registration No. 136884W

**RAJESH KOTADIYA**

Partner

Membership No. 142120

UDIN: 23142120BGRRFK7283

Place: Ahmedabad

Date: 13 July 2023



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

**Manish G. Patel**

Chairman & Executive Director

DIN-01436792

**Parth L. Desai**

Executive Director & CFO

DIN-01452248

**Amitkumar G. Patel**

Managing Director

DIN-08472609

Place: Ahmedabad

Date: 13 July 2023

**Fonebox Retail Limited (formerly Known as Fonebox Retail Private Limited)**  
(CIN: U51909GJ2021PLC119941)

**Statement of Profit and loss for the year ended 31 March 2023**

(₹ in lacs)

Particulars	Note	31 March 2023	31 March 2022
Revenue from Operations	19	19,625.74	9,092.33
Other Income	20	0.35	-
<b>Total Income</b>		<b>19,626.09</b>	<b>9,092.33</b>
<b>Expenses</b>			
Purchases of Stock in Trade	21	18,907.49	9,308.89
Change in Inventories of work in progress and finished goods	22	(1,238.05)	(1,036.34)
Employee Benefit Expenses	23	324.30	173.20
Finance Costs	24	100.71	34.99
Depreciation and Amortization Expenses	25	69.03	31.29
Other Expenses	26	1,242.62	561.09
<b>Total expenses</b>		<b>19,406.10</b>	<b>9,073.12</b>
<b>Profit/(Loss) before Exceptional and Extraordinary Item and Tax</b>		<b>219.99</b>	<b>19.21</b>
Exceptional Item	27	0.25	-
<b>Profit/(Loss) before Extraordinary Item and Tax</b>		<b>219.74</b>	<b>19.21</b>
Extraordinary Item		-	-
<b>Profit/(Loss) before Tax</b>		<b>219.74</b>	<b>19.21</b>
Tax Expenses	28		
- Current Tax		60.54	3.00
- Deferred Tax		(0.67)	6.42
- MAT Credit Entitlement		-	(3.00)
<b>Profit/(Loss) after Tax</b>		<b>159.87</b>	<b>12.79</b>
Earnings Per Share (Face Value per Share Rs.10 each)			
-Basic	29	31.97	2.56
-Diluted	29	31.97	2.56

See accompanying notes to the financial statements

As per our report of even date

**For R K KOTADIYA & CO**

Chartered Accountants

Firm's Registration No. 136884W

  
**RAJESH KOTADIYA**

Partner

Membership No. 142120

UDIN: 23142120BGRRFK7283

Place: Ahmedabad

Date: 13 July 2023





**Manish G. Patel**

Chairman & Executive Director

DIN-01436792

For and on behalf of the Board of

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



**Parth L. Desai**

Executive Director & CFO

DIN-01452248



**Amitkumar G. Patel**

Managing Director

DIN-08472609

Place: Ahmedabad

Date: 13 July 2023



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

(CIN: U51909GJ2021PLC119941)

**Cash Flow Statement for the year ended 31 March 2023**

(₹ in lacs)

Particulars	Note	31 March 2023	31 March 2022
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit after tax		159.87	12.79
Depreciation and Amortisation Expense		69.03	31.29
Provision for tax		59.86	6.42
Interest Income		(0.35)	-
Finance Costs		100.71	34.99
<b>Operating Profit before working capital changes</b>		<b>389.12</b>	<b>85.49</b>
Adjustment for:			
Inventories		(1,238.05)	(1,036.34)
Trade Receivables		(90.71)	(227.22)
Loans and Advances		(22.83)	-
Other Current Assets		(613.68)	(482.48)
Trade Payables		533.29	1,166.17
Other Current Liabilities		831.90	352.99
Short-term Provisions		55.30	14.01
Long-term Provisions		5.25	-
Cash generated from Operations		(150.40)	(127.39)
Tax paid(Net)		57.54	3.00
<b>Net Cash from Operating Activities</b>		<b>(207.94)</b>	<b>(130.38)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of Property, Plant and Equipment		(118.30)	(450.89)
Interest received		0.35	-
<b>Net Cash (Used in) Investing Activities</b>		<b>(117.95)</b>	<b>(450.89)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from Issue of Share Capital		-	35.00
Proceeds from Long Term Borrowings		(4.99)	14.63
Proceeds from Short Term Borrowings		478.94	569.64
Interest Paid		(100.71)	(34.99)
Net Cash (Used in) / Generated from Financing Activities		373.23	584.29
<b>Net (Decrease) in Cash and Cash Equivalents</b>		<b>47.34</b>	<b>3.02</b>
Opening Balance of Cash and Cash Equivalents		44.53	41.51
<b>Closing Balance of Cash and Cash Equivalents</b>	16	<b>91.86</b>	<b>44.53</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 and on behalf of the Board of**

**For R K KOTADIYA & CO**

Chartered Accountants

Firm's Registration No. 136884W

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



**RAJESH KOTADIYA**

Partner

Membership No. 142120

UDIN: 23142120BGRRFK7283

Place: Ahmedabad

Date: 13 July 2023




**Manish G. Patel**

Chairman & Executive Director

DIN-01436792



**Parth L. Desai**

Executive Director & CFO

DIN-01452248



**Amitkumar G. Patel**

Managing Director

DIN-08472609

Place: Ahmedabad

Date: 13 July 2023

## **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 is primarily engaged in the business of retail and wholesale distribution business of mobile handsets, tablets, datacards, mobile accessories, mobile related products, Home appliances and other electronic items.

### **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') to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, as applicable. The financial statements have been prepared under the historical cost convention on accrual basis, except for certain financial instruments which are measured at fair value.

#### **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 Accounting Standards requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

#### **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. 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.



**Notes forming part of the Financial Statements**

**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

**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.



## **Notes forming part of the Financial Statements**

### **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.

### **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.



## **Notes forming part of the Financial Statements**

### **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.

#### **Rental income:**

Rental income arising from operating lease is accounted for on a straight line basis over lease terms unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases and is included in the Statement of profit or loss due to its operating nature.

#### **Interest income:**

Interest income is recognised based on time proportion basis considering the amount outstanding and rate applicable (EIR). Interest income in

### **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.

### **17 Taxation**

Current income tax expense comprises taxes on income from operations in India and in foreign jurisdictions. 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.

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**

The Company considers 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, to be cash equivalents.



Notes forming part of the Financial Statements

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 and on behalf of the Board of

For R K KOTADIYA & CO

Chartered Accountants

Firm's Registration No. 136884W

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



**RAJESH KOTADIYA**

Partner

Membership No. 142120

UDIN: 23142120BGRRFK7283

Place: Ahmedabad

Date: 13 July 2023



**Manish G. Patel**

Chairman & Executive Director

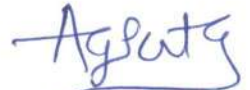
DIN-01436792



**Parth L. Desai**

Executive Director & CFO

DIN-01452248



**Amitkumar G. Patel**

Managing Director

DIN-08472609

Place: Ahmedabad

Date: 13 July 2023



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

**Notes forming part of the Financial Statements**

**1 Share Capital**

(₹ in lacs)

Particulars	31 March 2023	31 March 2022
<b>Authorised Share Capital</b>		
Equity Shares, Rs. 10 par value, 10500000 (Previous Year -500000) Equity Shares	1,050.00	50.00
<b>Issued, Subscribed and Fully Paid up Share Capital</b>		
Equity Shares, Rs. 10 par value 500000 (Previous Year -500000) Equity Shares paid up	50.00	50.00
<b>Total</b>	<b>50.00</b>	<b>50.00</b>

**(i) Reconciliation of number of shares**

Particulars	31 March 2023		31 March 2022	
	No. of shares	(₹ in lacs)	No. of shares	(₹ in lacs)
Equity Shares				
Opening Balance	500,000	50.00	150,000	15.00
Issued during the year	-	-	350,000	35.00
Deletion during the year	-	-	-	-
<b>Closing balance</b>	<b>500,000</b>	<b>50.00</b>	<b>500,000</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. However, no such preferential amounts

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

Equity Shares	31 March 2023		31 March 2022	
	No. of shares	In %	No. of shares	In %
<b>Name of Shareholder</b>				
Jigar Lallubhai Desai	82500	16.50%	75000	15.00%
Manishbhai Girishbhai Patel	125000	25.00%	200000	40.00%
Parth Lallubhai Desai	82500	16.50%	75000	15.00%
Vijay Lalsingh Yadav	25000	5.00%	75000	15.00%



Notes forming part of the Financial Statements

(iv) 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	18750	3.75%	1.25%
Arti Sanjeev Kumar	Equity	12500	2.50%	0.00%
Arvindkumar Ranchhodbhai Patel	Equity	20000	4.00%	4.00%
Chandresh Dashrathbharthi Swami	Equity	21875	4.38%	4.38%
Dhaval Dineshbhai Patel	Equity	10000	2.00%	2.00%
Dhrumil Dineshbhai Patel	Equity	10000	2.00%	2.00%
Harsh Bhupendrabha I Kotak	Equity	12500	2.50%	2.50%
Jigar Lallubhai Desai	Equity	82500	16.50%	1.50%
Jigneshkumar Dashratahbhai Parekh	Equity	20000	4.00%	1.50%
Krunal Bhagwanbhai Patel	Equity	21875	4.38%	4.38%
Manishkumar Girishbhai Patel	Equity	125000	25.00%	-15.00%
Parth Lallubhai Desai	Equity	82500	16.50%	1.50%
Pranav Rajanikant Patel	Equity	12500	2.50%	0.00%
Rajnikant Jayntilal Barot	Equity	12500	2.50%	0.00%
Somesh Chandreshkumar Patani	Equity	12500	2.50%	0.00%
Vijay Lalsingh Yadav	Equity	25000	5.00%	-10.00%

Shares held by Promoters at the end of the year 31 March 2022

Name of Promoter	Class of Shares	No. of Shares	% of total shares	% Change during the year
Amitkumar Gopalbhai Patel	Equity	12500	2.50%	-17.50%
Arti Sanjeev Kumar	Equity	12500	2.50%	2.50%
Arvindkumar Ranchhodbhai Patel	Equity	0	0.00%	0.00%
Chandresh Dashrathbharthi Swami	Equity	0	0.00%	0.00%
Dhaval Dineshbhai Patel	Equity	0	0.00%	0.00%
Dhrumil Dineshbhai Patel	Equity	0	0.00%	0.00%
Harsh Bhupendrabha I Kotak	Equity	0	0.00%	0.00%
Jigar Lallubhai Desai	Equity	75000	15.00%	15.00%
Jigneshkumar Dashratahbhai Parekh	Equity	12500	2.50%	2.50%
Krunal Bhagwanbhai Patel	Equity	0	0.00%	0.00%
Manishkumar Girishbhai Patel	Equity	200000	40.00%	-40.00%
Parth Lallubhai Desai	Equity	75000	15.00%	15.00%
Pranav Rajanikant Patel	Equity	12500	2.50%	2.50%
Rajnikant Jayntilal Barot	Equity	12500	2.50%	2.50%
Somesh Chandreshkumar Patani	Equity	12500	2.50%	2.50%
Vijay Lalsingh Yadav	Equity	75000	15.00%	15.00%

(v) Equity shares movement during 5 years preceding 31 March 2023

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

The Company has not issued any Bonus Share, shares other than Cash in immediately preceding five years from the Balance Sheet date. During the previous year the company has not Bought Back any Equity Shares immediately preceding five years from the Balance Sheet date.





Notes forming part of the Financial Statements

2 Reserves and Surplus

(₹ in lacs)

Particulars	31 March 2023	31 March 2022
<b>Statement of Profit and loss</b>		
Balance at the beginning of the year	10.43	(2.36)
Add: Profit/(loss) during the year	159.87	12.79
<b>Balance at the end of the year</b>	<b>170.29</b>	<b>10.43</b>
<b>Total</b>	<b>170.29</b>	<b>10.43</b>

3 Long term borrowings

(₹ in lacs)

Particulars	31 March 2023	31 March 2022
Secured Term loans from banks		
-Vehicle Loan	9.64	14.63
<b>Total</b>	<b>9.64</b>	<b>14.63</b>

Borrowings includes

Particulars	31 March 2023	31 March 2022
Any guarantee given by directors or others	9.64	14.63
<b>Total</b>	<b>9.64</b>	<b>14.63</b>

Particulars of 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 2023	31 March 2022
Amount not utilized for the specific purpose	-	-
Out of above amount:		

4 Deferred tax liabilities Net

(₹ in lacs)

Particulars	31 March 2023	31 March 2022
Deferred Tax Liability	5.80	6.48
<b>Total</b>	<b>5.80</b>	<b>6.48</b>



Notes forming part of the Financial Statements

Significant components of Deferred Tax

(₹ in lacs)

Particulars	31 March 2023	31 March 2022
<b>Deferred Tax Liability</b>		
Difference between book depreciation and tax depreciation	7.16	6.48
<b>Gross Deferred Tax Liability (A)</b>	<b>7.16</b>	<b>6.48</b>
<b>Deferred Tax Asset</b>		
Expenses provided but allowable in Income tax on Payment basis	1.36	-
<b>Gross Deferred Tax Asset (B)</b>	<b>1.36</b>	<b>-</b>
<b>Net Deferred Tax Liability (A)-(B)</b>	<b>5.80</b>	<b>6.48</b>

Significant components of Deferred Tax charged during the year

(₹ in lacs)

Particulars	31 March 2023	31 March 2022
Difference between book depreciation and tax depreciation	0.69	6.42
Expenses provided but allowable in Income tax on Payment basis	(1.36)	-
<b>Total</b>	<b>(0.68)</b>	<b>6.42</b>

5 Other Long term liabilities

(₹ in lacs)

Particulars	31 March 2023	31 March 2022
Others		
-Branch Security Deposit	1,162.56	366.90
<b>Total</b>	<b>1,162.56</b>	<b>366.90</b>

6 Long term provisions

(₹ in lacs)

Particulars	31 March 2023	31 March 2022
Provision for employee benefits		
-Gratuity Provision	5.25	-
<b>Total</b>	<b>5.25</b>	<b>-</b>

7 Short term borrowings

(₹ in lacs)

Particulars	31 March 2023	31 March 2022
Current maturities of long-term debt		
-Vehicle Loan	4.99	4.65
Secured Loans repayable on demand from banks		
-Cash Credit/Overdraft/WCDL	397.10	-
Unsecured Loans repayable on demand from banks		
-Trade Advance	0.45	48.51
Unsecured Loans repayable on demand from other parties		
-Trade Advance	2.43	1.36
Unsecured Loans and advances from related parties		
-Unsecured Loans	643.61	515.12
<b>Total</b>	<b>1,048.58</b>	<b>569.64</b>



Notes forming part of the Financial Statements

Borrowings includes

Particulars	31 March 2023	31 March 2022
Any guarantee given by directors or others	402.10	26.78
<b>Total</b>	<b>402.10</b>	<b>26.78</b>

Particulars of Borrowings

Name of Lender/Type of Loan	Rate of Interest	Nature of Security
HDFC Bank Ltd. - Cash Credit Loan	7.90%	Secured
HDFC Bank Ltd - Vehicle Loan	7.10%	Secured
HDFC Bank Ltd- Trade Advance	9.75%	Unsecured
IDFC First Bank Ltd - Trade Advance	12.00%	Unsecured
Bajaj Finance Limited- Trade Advance	14.00%	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 2023	31 March 2022
Due to Micro and Small Enterprises	364.97	160.97
Due to others	1,368.48	1,039.18
<b>Total</b>	<b>1,733.45</b>	<b>1,200.15</b>

8.1 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	-	-	-	-	-
Sub total					<b>1,733.44</b>
MSME - Undue					-
Others - Undue					-
<b>Total</b>					<b>1,733.44</b>



Notes forming part of the Financial Statements

8.2 Trade Payable ageing schedule as at 31 March 2022

(₹ 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	160.97	-	-	-	160.97
Others	1,039.18	-	-	-	1,039.18
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
Sub total					1,200.15
MSME - Undue					-
Others - Undue					-
<b>Total</b>					<b>1,200.15</b>

9 Other current liabilities

(₹ in lacs)

Particulars	31 March 2023	31 March 2022
Statutory dues	35.55	9.43
Advances from customers	10.90	0.79
<b>Total</b>	<b>46.45</b>	<b>10.22</b>

10 Short term provisions

(₹ in lacs)

Particulars	31 March 2023	31 March 2022
Others		
-Provision for Electricity	4.12	4.07
-Provision for Interest	0.07	-
-Provision for Nexxa Warranty Claim	7.83	7.22
Provision for employee benefits		
-Gratuity Provision	0.02	-
Provision for income tax	57.54	2.99
<b>Total</b>	<b>69.58</b>	<b>14.28</b>



Notes forming part of the Financial Statements

11 Property, Plant and Equipment

Name of Assets	Gross Block						Depreciation and Amortization			Net Block	
	As on 01-Apr-22	Addition	Deduction	As on 31-Mar-23	As on 01-Apr-22	for the year	Deduction	As on 31-Mar-23	As on 31-Mar-23	As on 31-Mar-22	
<b>(i) Property, Plant and Equipment</b>											
Furniture and Fixtures	276.33	63.96	-	340.29	15.15	29.85	-	45.00	295.29	261.19	
Vehicles	22.46	-	-	22.46	0.78	2.67	-	3.45	19.01	21.68	
Office equipment	36.66	11.72	-	48.38	2.77	8.35	-	11.12	37.26	33.89	
Computers & Printers	34.93	10.64	-	45.58	6.96	13.55	-	20.51	25.07	27.97	
Electric Installation	55.42	7.14	-	62.56	2.62	5.80	-	8.42	54.14	52.80	
<b>Total</b>	425.81	93.45	-	519.27	28.28	60.21	-	88.50	430.77	397.53	
<b>Previous Year</b>	4.37	421.44	-	425.81	0.01	28.27	-	28.28	397.53	4.35	

<b>(ii) Intangible Assets</b>										
Goodwill	11.00	-	-	11.00	-	-	-	-	11.00	11.00
Computer software	18.44	24.84	-	43.29	3.02	8.81	-	11.84	31.45	15.42
<b>Total</b>	29.44	24.84	-	54.29	3.02	8.81	-	11.84	42.45	26.42
<b>Previous Year</b>	-	29.44	-	29.44	-	3.02	-	3.02	26.42	-



Notes forming part of the Financial Statements

12 Long term loans and advances

(Unsecured, considered good unless otherwise stated)

(₹ in lacs)

Particulars	31 March 2023	31 March 2022
Balances with Government Authorities -MAT Credit Entitlement	-	3.00
<b>Total</b>	<b>-</b>	<b>3.00</b>

13 Other non current assets

(Unsecured, considered good unless otherwise stated)

(₹ in lacs)

Particulars	31 March 2023	31 March 2022
Security Deposits -Rent Deposit	73.39	67.41
Others -Preliminary Expenses	10.03	0.20
<b>Total</b>	<b>83.42</b>	<b>67.61</b>

14 Inventories

(Valued at Cost or NRV, whichever is less)

(₹ in lacs)

Particulars	31 March 2023	31 March 2022
Stock-in-trade	2,290.20	1,052.15
<b>Total</b>	<b>2,290.20</b>	<b>1,052.15</b>

15 Trade receivables

(Unsecured, considered good unless otherwise stated)

(₹ in lacs)

Particulars	31 March 2023	31 March 2022
Unsecured considered good	317.93	227.22
<b>Total</b>	<b>317.93</b>	<b>227.22</b>



Notes forming part of the Financial Statements

15.1 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	-	-	-	-	-	-
Sub total						317.93
Undue - considered good						-
Undue - considered doubtful						-
Provision for doubtful debts						-
<b>Total</b>						<b>317.93</b>

15.2 Trade Receivables ageing schedule as at 31 March 2022

(₹ 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	227.22	-	-	-	-	227.22
Undisputed Trade Receivables-considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables considered good	-	-	-	-	-	-
Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
Sub total						227.22
Undue - considered good						-
Undue - considered doubtful						-
Provision for doubtful debts						-
<b>Total</b>						<b>227.22</b>

16 Cash and cash equivalents

(₹ in lacs)

Particulars	31 March 2023	31 March 2022
Cash on hand	64.12	16.36
Balances with banks in current accounts	0.93	12.53
Others -Card & Wallet Balance	26.81	15.64
<b>Total</b>	<b>91.86</b>	<b>44.53</b>



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

**Notes forming part of the Financial Statements**

**17 Short term loans and advances**

(Unsecured, considered good unless otherwise stated)

(₹ in lacs)

Particulars	31 March 2023	31 March 2022
Loans and advances to employees	0.05	-
Advances to suppliers	36.02	3.56
Balances with Government Authorities	563.19	287.87
<b>Total</b>	<b>599.26</b>	<b>291.43</b>

**18 Other current assets**

(Unsecured, considered good unless otherwise stated)

(₹ in lacs)

Particulars	31 March 2023	31 March 2022
Insurance Claims Receivable	3.72	-
Interest Receivable	1.08	-
Prepaid Expenses	0.36	0.81
Scheme Discount Receivable	440.55	132.03
<b>Total</b>	<b>445.71</b>	<b>132.84</b>

**19 Revenue from operations**

(₹ in lacs)

Particulars	31 March 2023	31 March 2022
Sale of products		
-Sale of Goods	19,582.60	9,090.74
Other operating revenues	43.14	1.59
<b>Total</b>	<b>19,625.74</b>	<b>9,092.33</b>

**20 Other Income**

(₹ in lacs)

Particulars	31 March 2023	31 March 2022
Interest Income		
-Interest on income Tax Refund	0.35	-
<b>Total</b>	<b>0.35</b>	<b>-</b>

**21 Purchases of stock in trade**

(₹ in lacs)

Particulars	31 March 2023	31 March 2022
Purchase of Goods	18,907.49	9,308.89
<b>Total</b>	<b>18,907.49</b>	<b>9,308.89</b>





Notes forming part of the Financial Statements

22 Change in Inventories of work in progress and finished goods

(₹ in lacs)

Particulars	31 March 2023	31 March 2022
<b>Opening Inventories</b>		
Stock-in-trade	1,052.15	15.81
<b>Less: Closing Inventories</b>		
Stock-in-trade	2,290.20	1,052.15
<b>Total</b>	<b>(1,238.05)</b>	<b>(1,036.34)</b>

23 Employee benefit expenses

(₹ in lacs)

Particulars	31 March 2023	31 March 2022
Contribution to provident and other funds	5.01	-
Gratuity Expenses	5.27	-
Salaries, allowances and others	314.02	173.20
<b>Total</b>	<b>324.30</b>	<b>173.20</b>

Defined Benefit Plan

Changes in the present value of the defined benefit obligation in respect of Gratuity (funded)

(₹ in lacs)

Particulars	31 March 2023	31 March 2022
Defined Benefit Obligation at beginning of the year	-	-
Current Service Cost	5.26	-
Interest Cost	-	-
Actuarial (Gain) / Loss	-	-
Benefits Paid	-	-
<b>Defined Benefit Obligation at year end</b>	<b>5.26</b>	<b>-</b>

Changes in the fair value of plan assets

(₹ in lacs)

Particulars	31 March 2023	31 March 2022
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 2023	31 March 2022
Present value obligation as at the end of the year	5.26	-
Fair value of plan assets as at the end of the year	-	-
Funded status/(deficit) or Unfunded net liability	5.26	-
Unfunded net liability recognized in balance sheet	5.26	-
<b>Amount classified as:</b>		
Short term provision	0.01	-
Long term provision	5.25	-

Expenses recognized in Profit and Loss Account

(₹ in lacs)

Particulars	31 March 2023	31 March 2022
Current service cost	5.26	-
Interest cost	-	-
Deficit in acquisition cost recovered	-	-
Expected return on plan assets	-	-
Net actuarial loss/(gain) recognized during the year	-	-
<b>Total expense recognised in Profit and Loss</b>	<b>5.26</b>	<b>-</b>



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

**Notes forming part of the Financial Statements**

**Investment details of the Plan Assets**

(₹ in lacs)

Particulars	31 March 2023	31 March 2022
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 2023	31 March 2022
Discount Rate	7.35%	-
Expected Rate of increase in Compensation Level	7.00%	-
Expected Rate of return on Plan assets	NA	-
Mortality Rate	Indian Assured Lives Mortality 2012-14 (Urban)	-
Retirement Rate	60 years	-
Average Attained Age	30.33 Years	-
Withdrawal Rate	For service 4 years and below 20.00% p.a. For service 5 years and above 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	5.26	-	-	-	-
Plan assets	-	-	-	-	-
Net assets/(liability)	-	-	-	-	-
Experience gain/(loss) on PBO	-	-	-	-	-
Experience gain/(loss) on plan assets	-	-	-	-	-
Actuarial gain due to change in assumptions	-	-	-	-	-

**24 Finance costs**

(₹ in lacs)

Particulars	31 March 2023	31 March 2022
Interest expense	97.33	34.99
Other borrowing costs	3.38	-
<b>Total</b>	<b>100.71</b>	<b>34.99</b>

**25 Depreciation and amortization expenses**

(₹ in lacs)

Particulars	31 March 2023	31 March 2022
Amortization of intangible assets	8.82	3.02
Depreciation on property, plant and equipment	60.21	28.27
<b>Total</b>	<b>69.03</b>	<b>31.29</b>



Notes forming part of the Financial Statements

26 Other expenses

(₹ in lacs)

Particulars	31 March 2023	31 March 2022
Auditors' Remuneration	4.10	3.00
Advertisement	57.63	13.77
Commission	369.19	101.91
Insurance	3.04	1.96
Power and fuel	79.92	48.04
Rent	374.53	240.29
Rates and taxes	6.03	5.58
Miscellaneous expenses	68.91	29.64
Bank and Card Swapping Charges	225.20	80.68
Communication charges	1.36	0.88
Legal and Professional Fees	12.39	5.21
Nexxa Warranty Claim	10.71	8.34
Preliminary Expenses W/Off	2.54	0.07
Printing & Stationary	12.88	14.56
Repair & Maintenance Building	5.03	3.24
Repair & Maintenance Others	0.38	0.28
Repair & Maintenance Plant & Machinery	2.47	3.15
Travelling and conveyance	6.31	0.49
<b>Total</b>	<b>1,242.62</b>	<b>561.09</b>

27 Exceptional item

(₹ in lacs)

Particulars	31 March 2023	31 March 2022
Loss Due To Theft	0.25	-
<b>Total</b>	<b>0.25</b>	<b>-</b>

28 Tax Expenses

(₹ in lacs)

Particulars	31 March 2023	31 March 2022
Current Tax		
-Income Tax Expense	60.54	3.00
Deferred Tax		
-Deferred Tax Expense	(0.67)	6.42
MAT Credit Entitlement		
-MAT Tax Expense	-	(3.00)
<b>Total</b>	<b>59.87</b>	<b>6.42</b>



Notes forming part of the Financial Statements

29 Earning per share

Particulars	31 March 2023	31 March 2022
Profit attributable to equity shareholders (` in lacs)	159.87	12.79
Weighted average number of Equity Shares	500,000	500,000
Earnings per share basic (Rs)	31.97	2.56
Earnings per share diluted (Rs)	31.97	2.56
Face value per equity share (Rs)	10	10

30 Auditors' Remuneration

(` in lacs)

Particulars	31 March 2023	31 March 2022
Payments to auditor as - Auditor	4.10	3.00
<b>Total</b>	<b>4.10</b>	<b>3.00</b>

31 Micro and Small Enterprise

(` in lacs)

Particulars	31 March 2023		31 March 2022	
	Principal	Interest	Principal	Interest
Amount Due to Supplier	364.97	-	160.97	-
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.

32 Related Party Disclosure

(i) List of Related Parties

Enterprises over which KMP of the Company have control

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

Key Managerial Personnel

- Manishkumar Girishbhai Patel
- Amitkumar Gopalbhai Patel
- Parth Lallubhai Desai



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

**Notes forming part of the Financial Statements**

**Relative of Key Managerial Personnel**

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

**(ii) Related Party Transactions**

(₹ in lacs)

Particulars	Relationship	31 March 2023	31 March 2022
<b>Purchases</b>			
- Phone wale	Enterprises over which KMP of the Company have control	-	1,282.32
- Paradise Markcom Private Limited	Enterprises over which KMP of the Company have control	2,142.79	771.81
- Phonewale Limited	Enterprises over which KMP of the Company have control	4,041.16	390.66
- Kriva Mobitech Private Limited	Enterprises over which KMP of the Company have control	21.47	-
<b>Sales</b>			
- Phone Wale	Enterprises over which KMP of the Company have control	-	223.95
- Paradise Markcom Private Limited	Enterprises over which KMP of the Company have control	56.97	34.36
- Phonewale Limited	Enterprises over which KMP of the Company have control	346.67	316.69
- Kriva Mobitech Private Limited	Enterprises over which KMP of the Company have control	0.30	-
<b>Interest Paid</b>			
- Binaben Manishkumar Patel	Relative of Key Managerial Personnel	6.53	4.03
- Jigar Lallubhai Desai	Relative of Key Managerial Personnel	10.94	0.92
- Manishkumar Girishbhai Patel	Key Managerial Personnel	7.96	4.81
- Parth Lallubhai Desai	Key Managerial Personnel	10.63	0.93
- Rushi Manishkumar Patel	Relative of Key Managerial Personnel	0.38	0.21
- Kantaben Ambalal Patel	Relative of Key Managerial Personnel	3.30	-
<b>Unsecured Loan Taken</b>			
- Binaben Manishkumar Patel	Relative of Key Managerial Personnel	-	50.75
- Jigar Lallubhai Desai	Relative of Key Managerial Personnel	30.00	70.00
- Manishkumar Girishbhai Patel	Key Managerial Personnel	150.00	104.50
- Parth Lallubhai Desai	Key Managerial Personnel	50.00	50.00
- Rushi Manishkumar Patel	Relative of Key Managerial Personnel	-	3.00
- Kantaben Ambalal Patel	Relative of Key Managerial Personnel	29.00	-
<b>Unsecured Loan Repaid</b>			
- Manishkumar Girishbhai Patel	Key Managerial Personnel	150.00	47.00

**(iii) Related Party Balances**

(₹ in lacs)

Particulars	Relationship	31 March 2023	31 March 2022
<b>Payables</b>			
- Phone wale	Enterprises over which KMP of the Company have control	-	-
- Paradise Markcom Private Limited	Enterprises over which KMP of the Company have control	227.92	308.59
- Phonewale Limited	Enterprises over which KMP of the Company have control	150.11	134.42
- Binaben Manishkumar Patel	Relative of Key Managerial Personnel	60.25	54.37
- Jigar Lallubhai Desai	Relative of Key Managerial Personnel	110.67	70.83
- Manishkumar Girishbhai Patel	Key Managerial Personnel	69.00	61.83
- Parth Lallubhai Desai	Key Managerial Personnel	110.41	50.84
- Rushi Manishkumar Patel	Relative of Key Managerial Personnel	3.53	3.19
- Kantaben Ambalal Patel	Relative of Key Managerial Personnel	31.97	-
<b>Receivable</b>			
- Phone Wale	Enterprises over which KMP of the Company have control	-	-
- Phonewale Limited	Enterprises over which KMP of the Company have control	206.45	203.90



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

### Notes forming part of the Financial Statements

#### 33 Details of Benami Property held

The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

#### 34 Wilful Defaulter

Date of declaration as wilful defaulter

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

#### 35 Relationship with Struck off Companies

The Company does not have any transactions with companies struck off

#### 36 Registration of Charge

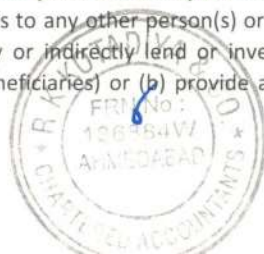
The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period

#### 37 Ratio Analysis

Particulars	Numerator/Denominator	31 March 2023	31 March 2022	Change in %
(a) Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	1.29	0.97	32.63%
(b) Debt-Equity Ratio	$\frac{\text{Total Debts}}{\text{Shareholder's Equity}}$	4.80	9.67	-50.32%
(c) Debt Service Coverage Ratio	$\frac{\text{Earning available for Debt Service}}{\text{Debt Service}}$	34.35	11.49	198.97%
(d) Return on Equity Ratio	$\frac{\text{Profit after Tax}}{\text{Average Shareholder's Equity}}$	113.90%	35.00%	225.40%
(e) Inventory turnover ratio	$\frac{\text{Total Turnover}}{\text{Average Inventories}}$	11.74	17.03	-31.03%
(f) Trade receivables turnover ratio	$\frac{\text{Total Turnover}}{\text{Average Account Receivable}}$	72.00	80.31	-10.35%
(g) Trade payables turnover ratio	$\frac{\text{Total Purchases}}{\text{Average Account Payable}}$	12.89	15.13	-14.80%
(h) Net capital turnover ratio	$\frac{\text{Total Turnover}}{\text{Net Working Capital}}$	23.17	(197.15)	-111.75%
(i) Net profit ratio	$\frac{\text{Net Profit}}{\text{Total Turnover}}$	0.81%	0.14%	479.18%
(j) Return on Capital employed	$\frac{\text{Earning before interest and taxes}}{\text{Capital Employed}}$	24.95%	8.32%	199.78%
(k) Return on investment	$\frac{\text{Return on Investment}}{\text{Total Investment}}$	-	-	-

#### 38 Disclosure where company has given loan or invested to other person or entity to lend or invest in another person or entity

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,



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

### Notes forming part of the Financial Statements

#### 39 Disclosure where company has received fund from other person or entity to lend or invest in other person or entity

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.

#### 40 Details of Crypto Currency

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

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

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets during the year ended 31st March, 2023

The Company has not provided loans, advances in the nature of loans, stood guarantee, or provided security to Companies, Firms, limited liability partnerships

#### 42 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.

#### 43 Regrouping

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

#### 44 Exceptional Items

A theft occurred in 14 February 2023 at one of the Company's Store located at Ahmedabad. Loss of Rs. `395990 was occurred due to theft, Company had accounted for insurance receivables of Rs. 371440 during the year ended March 31, 2023 and Remaining Amount of Rs. 24549 had accounted as loss due to theft.

#### For R K KOTADIYA & CO

Chartered Accountants

Firm's Registration No. 136884W

  
**RAJESH KOTADIYA**

Partner

Membership No. 142120

UDIN: 23142120BGRRFK7283

Place: Ahmedabad

Date: 13 July 2023



  
**Manish G. Patel**

Chairman & Executive Director

DIN-01436792

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

  
**Parth L. Desai**

Executive Director & CFO

DIN-01452248

  
**Amitkumar G. Patel**

Managing Director

DIN-08472609

Place: Ahmedabad

Date: 13 July 2023