

FONE4 COMMUNICATIONS(INDIA) LIMITED

Registered Office: Poovathum Arcade, Koothapady Temple Road, Thammanam, P.O. Ernakulam 682032,
Kerala, India

CIN: U51506KL2014PLC036625 E Mail id: hamid@fone4.in

Date: 14th November, 2024

To,
BSE Limited
Department of Corporate Services,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai- 400001

Company Symbol: FONE4
Scrip Code: 543521

Subject: Outcome of the Board Meeting under Regulation 30 & 33 of SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015

Dear Sir/Madam,

In Pursuant to Regulation 30 and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to inform you that the Board of Directors of “**Fone4 Communications (India) Limited**” at their meeting held on today i.e. **Thursday, 14th November, 2024**, at the registered office of the Company at Poovathum Arcade, Koothapady Temple Road, Thammanam, P.O. Ernakulam 682032, Kerala, India considered and approved the following matter(s):

- Standalone Un-audited Financial Results of the Company along with Limited Review Report for the Half Year ended on 30th September, 2024. A copy of the said Un-audited financial results along with the Limited Review Report by the Statutory Auditors thereon is enclosed herewith.

The meeting of the Board of Directors commenced at 04:40 P.M. and concluded at 05:10 P.M.

This is for your information and record.

Thanking you,

Yours Faithfully,

For and on behalf of
FONE4 COMMUNICATIONS(INDIA) LIMITED

SAYYED HAMID
Managing Director
DIN: 05167876



KAPISH JAIN & ASSOCIATES

CHARTERED ACCOUNTANTS

F.R.N. 022743N

Head Office: 504, B-Wing, Statesman House, 148, Barakhamba Road, New Delhi - 110001 | Phone : +91-11-43708987
Mobile : +91 9971 921466 | Email : ca.kapish@gmail.com | Website : www.kapishjainassociates.com; www.cakja.com

Independent Auditor's Review Report on Standalone Unaudited Financial Results for the half year ended 30 September 2024 of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Review Report to
The Board of Directors
Fone4 Communications (India) Limited

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results ("Statement") of **Fone4 Communications (India) Limited** ("the Company") for the half year ended 30 September 2024 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI ((Listing Obligations and Disclosure Requirements) Regulation, 2015 (the "Regulation") as amended, including relevant circulars issued by the SEBI from time to time.
2. This statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the generally accepted accounting principles in India ("GAAP") and in compliance with the applicable Accounting Standard as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder. Our responsibility is to express an opinion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statements are free of material misstatements. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. *The confirmations regarding the closing balances of trade receivables, trade payables and loans & advances were not made available to us by the management in certain cases. Therefore, we are unable to comment whether those balances as shown in financial statements are correct or not.*
5. *The Company has registered under the Employees Provident Fund Act, 1952 and Employee's State Insurance Act, 1948, however, the same has not been deducted and deposited on the eligible employees. The impact of the same is not ascertainable.*



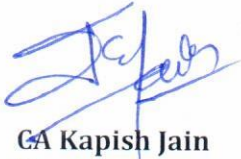
6. ***The Company has not complied with the provision of Income Tax Act, 1961 ("IT Act") by failing to file the Income Tax Return ("ITR") under section 139 of the IT Act and Tax Audit Report ("TAR") under section 44AB of the IT Act for the assessment year 2022-23 and 2023-24. Accordingly, the company shall be liable to pay the applicable penalties for non-filing of ITR and TAR as per provisions of the IT Act.***
7. As per the inventory risk management policy, during the six months ended, a provision of Rs. 118.51 lacs (Previous year: Rs. 576.67 lacs) have been recognized on account of slow moving and/or non-moving inventory in the books of account.
8. the Company has failed to comply with the provision of tax deducted at source as per chapter XVII of the Income Tax Act, 1961. The following discrepancies have been found:
- An amount of Rs. 9.87 lacs was deducted at source till 31 March 2023, however, the same has not yet been deposited to the authorities by the Company. Subsequently, TDS returns not yet submitted for the same.
 - An amount of Rs. 1.11 lacs was deducted in respect of expenses incurred and Rs. 14.64 lacs was deducted in respect of purchases made during the financial year 2023-24, however, the same has not yet been deposited to the authorities by the Company.
9. The Company had given advances amounting to Rs. 1,150.40 lacs during the course of business wherein the Company is not able to track the progress of the work being assigned. Subsequently, the management has issued legal notices to the respective parties as a recovery proceeding against the advances being given.
10. The Company had a credit facility of Rs. 170.00 lacs with ICICI Bank Limited, secured by creating a charge on 2 (two) immovable properties owned by directors of the Company. As on the date of notice, an aggregate amount of Rs. 171.56 lacs were outstanding against this loan. On 1 December 2023, the bank declared the loan as Non-Performing Assets ("NPA") and subsequently, attached one of the properties for recovery of the outstanding amount. Further, the notice for symbolic possession was issued by the bank on 3 April 2024.

In response, the Company has applied to the Debt Recovery Tribunal-1 ("DRT") at Ernakulam to challenge the property attachment process. The application was submitted on 22 April 2024. Currently, the matter is pending for hearing before the DRT, and the next hearing date has not been fixed yet.



11. Based on our review conducted as stated above, ***except the effects of the matter described in paragraph 4, 5 & 6 above and possible effects of the matter described in paragraph 8, 9 & 10 above***, nothing has come to our attention that causes us to believe that the accompanying statement, prepared in accordance with the generally accepted accounting principles in India ("GAAP") and in compliance with the applicable Accounting Standard as specified under section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of the Regulation, read with Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **KAPISH JAIN & ASSOCIATES**
Chartered Accountants
Firm Registration No. 022743N



GA Kapish Jain
Partner

M. No.: 514162

UDIN **24574162 BKBIAJ1830**



Place: New Delhi

Date: **14 Nov. 2024**

FONE4 COMMUNICATIONS(INDIA) LIMITED

Regd. Office : Poovathum Arcade, Koothapady Temple Road, Thammanam, P.O. Ernakulam, Kerala Ernakulam - 682032
CIN: U51506KL2014PLC036625 E Mail id: hamid@fone4.in

**STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2024**

Rs. in Lakhs, unless otherwise stated

Sl. No	Particulars	Six months ended			Year ended
		30.09.2024	31.03.2024	30.09.2023	31.03.2024
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
1	Income				
	a) Revenue from operations	3,426.59	7,836.32	6,408.83	14,245.15
	b) Other income	-	4.96	-	4.96
	Total income	3,426.59	7,841.28	6,408.83	14,250.11
2	Expenses				
	a) Purchase of stock in trade	3,423.71	7,823.73	6,921.24	14,744.97
	b) Changes in inventories of stock in trade	118.51	576.66	(533.79)	42.87
	c) Employee benefits expense	0.60	1.60	5.00	6.60
	d) Finance costs	11.10	18.22	8.70	26.92
	e) Depreciation and amortisation expense	3.04	7.43	7.44	14.87
	f) Other expenses	8.09	55.05	2.88	57.93
	Total expenses	3,565.04	8,482.69	6,411.47	14,894.16
3	Profit/(loss) before exceptional item & tax (1-2)	(138.46)	(641.41)	(2.64)	(644.05)
4	Exceptional Items	-	-	-	-
5	Profit/(loss) before tax (3-4)	(138.46)	(641.41)	(2.64)	(644.05)
6	Tax expense				
	1) Current tax	-	-	-	-
	2) Deferred tax	3.57	0.46	5.30	5.76
7	Net Profit/(Loss) after tax (5-6)	(142.02)	(641.87)	(7.94)	(649.81)
8	Paid-up Equity Share Capital (Face value of Rs.10/- each)	1,705.00	1,705.00	1,705.00	1,705.00
9	Reserves (excluding revaluation reserve)	-	-	-	-
10	Earnings per share (of Rs.10/- each) Basic & Diluted (Rs.)	(0.83)	(3.76)	(0.05)	(3.81)

Notes:-

- The above Financial Results were reviewed by the Audit Committee and were thereafter approved by the Board of Directors at their meeting held on 14 November 2024.
- The above results have been prepared in accordance with the recognition and measurement principles of Accounting Standard("AS"), prescribed under Section133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.
- The Company is engaged in the business of trading & distribution of mobile phones, electronic gadgets, mobile phone accessories, computer and computer parts and other electronic media equipment's. Hence, the Company has a single reportable segment as per the Accounting Standard - 17.

4 STANDALONE STATEMENT OF ASSETS & LIABILITIES

Rs. in Lakhs, unless otherwise stated

Particulars	Standalone	
	As at 30.09.2024	As at 31.03.2024
EQUITY AND LIABILITIES		
1 Shareholders' funds		
a) Share capital	1,705.00	1,705.00
b) Reserves and surplus	(1,135.21)	(993.19)
Total Equity	569.79	711.81
2 Liabilities		
Non-current liabilities		
a) Long-Term Borrowings	106.63	103.96
b) Deferred tax liability	-	-
c) Other long-term liabilities	-	-
d) Long-term provisions	-	-
Total non-current liabilities	106.63	103.96
a) Short-Term Borrowings	163.63	154.88
b) Trade payables		
(i) Total outstanding dues of micro enterprises and small enterprises; and	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	2,677.85	2,688.84
c) Other current liabilities	129.30	131.31
d) Short-term provisions	16.50	16.50
Total current liabilities	2,987.28	2,991.53
Total equity and liabilities	3,663.70	3,807.30
Assets		
1 Non-current assets		
a) Property, plant and equipment and Intangible Assets		
(i) Property, plant and equipment	15.44	18.09
(ii) Intangible assets	1.48	1.86
b) Deferred tax assets	67.48	71.04
c) Non-current investment	-	-
d) Long-term loans and advances	1,505.19	1,505.19
e) Other non-current assets	-	-
Total non-current assets	1,589.58	1,596.18
2 Current assets		
a) Inventories	1,078.36	1,196.87
b) Trade receivables	215.32	246.72
c) Cash and bank balances	15.57	5.85
d) Short-term loans and advances	543.35	543.15
e) Other current assets	221.54	218.53
Total current assets	2,074.12	2,211.12
Total assets	3,663.70	3,807.30

5 STANDALONE STATEMENT OF CASH FLOWS

Rs. in Lakhs, unless otherwise stated

	For the six months ended	
	30.09.2024	30.09.2023
A. Cash flow from operating activities		
Profit/(loss) before tax	(138.46)	(2.6)
Adjustments for :		
Depreciation and amortisation expense	3.04	7.4
Net loss on disposal of property, plant and equipment	-	-
Credit balance written back	-	-
Interest incomes	-	(0.00)
Interest expenses	11.10	8.70
Operating (loss)/profit before working capital changes	(124.32)	13.49
Changes in assets and liabilities		
(Increase) / Decrease in inventories	118.51	(533.79)
(Increase) / Decrease in trade receivables	31.40	487.38
(Increase) / Decrease in loans and advances	(0.20)	(0.00)
(Increase) / Decrease in other assets	(3.00)	(90.03)
Increase / (decrease) in trade payables	(10.99)	128.13
Increase / (decrease) in provisions	-	(3.57)
Increase / (decrease) in other liabilities	(2.01)	7.04
Cash generated from operating activities	9.39	8.64
Taxes paid (net of refunds)	-	-
Net cash generated from operating activities	9.39	8.64
B. Cash Flow from Investing Activities		
Investment in fixed deposits with bank	-	-
Sale proceeds from sale of property, plant and equipment	-	-
Interest and other income	-	-
Net cash generated from/(used in) investing activities	-	-
C. Cash flows from financing activities		
Interest and finance cost	(11.10)	(8.70)
Proceeds from issues of equity shares	-	-
Net proceed (repayment) of long term borrowings	2.67	-
Net proceed (repayment) of short term borrowings	8.76	-
Net cash generated from/(used in) financing activities	0.33	(8.70)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	9.71	(0.06)
Cash and cash equivalents at the beginning of year	5.26	5.94
Cash and cash equivalents at the end of year	14.98	5.88
Cash and cash equivalents comprise of:		
Cash on hand	2.82	2.80
Balance with banks		
- in current accounts	12.16	3.08
- deposits with original maturity of less than three months	-	-
	14.98	5.88

* The above statement of cash flow has been prepared under the 'Indirect Method'.

6 The figures for the previous period have been regrouped / rearranged / reclassified wherever necessary

For and Behalf of Board of
Fone4 Communications (India) LimitedSayed Hamid
Managing Director
DIN 05167876Date: 14 November 2024
Place: Ernakulam