

This is an abridged prospectus containing salient features of the Prospectus. You are encouraged to read greater details available in the Prospectus.

THIS ABRIDGED PROSPECTUS CONTAINS EIGHT PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.

Fixed Price Issue



FONE4 COMMUNICATIONS (INDIA) LIMITED

Corporate Identity Number: U51506KL2014PLC036625, Date of Incorporation: May 08, 2014

Registered & Corporate Office	Contact Person	Email and Telephone	Website
1st Floor, 45/692-B, Ashna Arcade, Vypilly Road, Thammanam Ernakulam 682032, Kerala, India	Ms. Nisha Shaw, Company Secretary & Compliance Officer	Email ID: cs@fone4.in Tel No: +91 8606 777 777	www.fone4.com

NAMES OF PROMOTERS OF THE COMPANY

MR. SAYYED HAMID AND MRS. ROUDHA ZERLINA

DETAILS OF OFFER TO PUBLIC, PROMOTERS/SELLING SHAREHOLDERS

Type	Fresh Issue Size No of shares/Amount	OFS Size	Total Issue Size	Eligibility – 229(1) / 229(2) & Share Reservation amount QIB, NII & RII
Fresh Issue	₹680.00 Lakhs	Nil	₹680.00 Lakhs	The Issue is being made pursuant to Regulation 229(2) of SEBI ICDR Regulations, As the Company's post issue Paid-up capital would be less than 10.00 (Ten) Cr. Reservations (equity Shares) Market Maker – 3,40,000, NII – 32,30,000 RII – 32,30,000

These equity shares are proposed to be listed on the SME Platform of BSE Limited (“BSE SME”) and the Designated Stock Exchange will be the BSE Limited (“BSE”).

OFS: Offer for Sale

Details of OFS by Promoter(s)/Promoter Group/Other Selling Shareholders - NIL –

Price Band, Minimum Bid Lot & Indicative Timelines	
Price Band - Fixed Price Issue	Rs. 10/- Per Equity Share of Face Value of Rs. 10/- Each
Minimum Bid Lot Size	10,000 Equity Shares
Bid/Offer Open On	April 25, 2022
Bid/Closes Open On	April 27, 2022
Finalisation of Basis of Allotment	May 02, 2022
Initiation of Refunds	May 04, 2022
Credit of Equity Shares to Demat accounts of Allottees	May 05, 2022
Commencement of trading of Equity Shares	May 06, 2022

Details of WACA of all shares transacted over the trailing eighteen months from the date of Prospectus

Period	Weighted Average Cost of Acquisition (in Rs.)	Upper End of the Price Band is 'X' times the WACA	Range of acquisition price Lowest Price- Highest Price (in Rs.)
Trailing Eighteen Month from the date of Prospectus	NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES		

WACA: Weighted Average Cost of Acquisition shall be calculated on fully diluted basis for the trailing eighteen months from the date of Prospectus.

RISK IN RELATION TO THE FIRST ISSUE

This being the first issue of the issuer, there has been no formal market for the securities of the issuer. The face value of the equity shares is ₹10/- each and the issue price is at par of face value of the equity share. The issue price should not be taken to be indicative of the market price of the equity shares after the equity shares are listed. No assurance can be given regarding an active or sustained trading in the equity shares of our company or regarding the price at which the equity shares will be traded after listing.

GENERAL RISKS

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of the issuer and the offer including the risks involved. The securities have not been recommended or approved by the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to the statement of “*Risk factors*” beginning on page no. 8 of this form.

PROCEDURE

You may obtain a physical copy of the Bid-cum-Application Form and the Prospectus from the stock exchange, syndicate members, registrar to the issue, share transfer agents, depository participants, stock brokers, underwriters, bankers to the issue, investors' associations or Self Certified Syndicate Banks.

If you wish to know about processes and procedures applicable to this issue, you may request for a copy of the Prospectus and/or the General Information Document (GID) from the Lead Manager or download it from the websites of the Stock Exchanges i.e. www.bseindia.com and the LM (www.finshoregroup.com).

PRICE INFORMATION OF LEAD MANAGER: FINSHORE MANAGEMENT SERVICES LIMITED

Statement on Price Information of Last 7 (Seven) Issues (IPO) handled by Finshore Management Services Limited:

Sr. No.	Issue Name	Issue Size (₹ in Cr.)	Issue Price (In ₹)	Listing Date	Opening price on listing date (In ₹)	+/- % change in closing price, [+/- % change in closing benchmark] – 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] – 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] – 180 th calendar days from listing
1	Promax Power Ltd.	1.60	10/-	12/10/2021	11.00	54.00 [0.11]	126.00 [-0.85]	120.00 [-2.34]
2	Dynamic Services & Security Ltd.	24.13	51/-	13/10/2021	53.00	-13.73 [-0.80]	-20.00 [-0.87]	-69.61 [-2.08]
3	Destiny Logistics & Infra Limited	5.39	20/-	13/10/2021	20.70	-27.00 [-0.80]	-41.75 [-0.87]	-43.00 [-2.08]
4	Timescan Logistics (India) Limited	4.81	51/-	12/01/2022	82.00	78.43 [-3.33]	79.90 [-2.95]	N. A.
5	Safa Systems & Technologies Ltd.	4.00	10/-	09/02/2022	16.55	7.00 [-5.13]	N. A.	N. A.
6	Shigan Quantum Technologies Limited	22.70	50/-	11/03/2022	61.00	150.50 [6.94]	N. A.	N. A.
7	Swaraj Suiting Limited	10.68	56/-	28/03/2022	56.00	N. A.	N. A.	N. A.

Status as on 17-04-2022

GENERAL INFORMATION

Names of Lead Manager	FINSHORE MANAGEMENT SERVICES LIMITED Telephone: +91-33-22895101 Contact Person: Mr. S. Ramakrishna Iyengar Email: ramakrishna@finshoregroup.com
Name of the Market Maker	NIKUNJ STOCK BROKERS LIMITED Telephone: +91 981-065-5378 Email ID: complianceofficer@nikunjonline.com Contact Person: Mr. Anshul Aggarwal
Name of Registrar to the Issue	CAMEO CORPORATE SERVICES LIMITED Telephone: +91-44-40020700, 28460390, Fax No.: +91-44-28460129 Email: investor@cameoindia.com Contact Person: Mr. R.D. Ramasamy, Director
Name of Statutory Auditor	“M/s Kapish Jain & Associates” Chartered Accountants
Name of Credit Rating Agency and the rating or grading obtained, if any	Not Applicable
Name of Debenture trustee, if any	Not Applicable
Self-Certified Syndicate Banks	The list of banks is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes which is updated from time to time.
Non-Syndicate Registered Brokers	You can submit Application Forms in the Issue to Non-Syndicate Registered Brokers at the Non-Syndicate Broker Centres. For further details, see sectioned titled “Issue Procedure” beginning at page no. 160 of the prospectus.
Details regarding website address(es)/ link(s) from which the investor can obtain list of registrars to issue and share transfer agents, depository participants and stock brokers who can accept application from investor (as applicable)	The details of the Designated Registrar to issue and Share Transfer Agents Locations and Designated Collecting Depository Participant and stock brokers Locations, along with their names and contact details are available on the websites of the Stock Exchange as updated from time to time

PROMOTERS OF ISSUER COMPANY

Sr. No.	Name	Individual/ Corporate	Experience & Educational Qualification
1.	Mr. Sayyed Hamid	Individual	Mr. Sayyed Hamid , aged 43 years, is an entrepreneur from Kerala settled in Kochi with astute business acumen and foresight. Over the last 15 years, he has diversified into Retail, Hospitality and Distribution businesses across South India. His journey as a businessman started in 1997 from a small room that his father owned in Kochi's Penta Menaka which is now the hub for all kinds of electronic gadgets. Unlike many of his contemporaries he didn't inherit a business empire but build it from scratch from that one room shop that he personally managed in along with two assistants. Right from the days of his first store, he brought in a personal touch in customer service & after sales service. This helped in developing a very good rapport with his clients. Mobile & automobile are the twin passions of Sayyed Hamid, and he owns one of the popular retail chain in Kerala for electronic gadgets.
2.	Mrs. Roudha Zerlina	Individual	Mrs. Roudha Zerlina , aged 36 is the wife of Sayyed Hamid. She is a B.com Graduate. After studies she had built a one of its kind dessert brands named pudding jar on her own especially for wide varieties of desserts in Bangalore, Karnataka. Pudding Jar's 1st outlet was opened on Feb 14, 2020 at Frazer town Bangalore. Later expanded to 3 more new outlets at Bangalore itself. She is also adding value to the business of FONE4 Communications (India) Ltd as a Non-Executive Director of the company.

For Further details on: "**Our Promoters and Promoter Group**" refer Page No. 96 of the Prospectus.

BUSINESS OVERVIEW AND STRATEGY

Brief Overview of Our Company and Business:

Fone4 Communications (India) Limited – An online E-commerce Electronics outfit commenced its business in the year 2014 promoted by its visionary promoter Mr. Sayyed Hamid and headquartered at Cochin, Kerala. Inspired by the growth in the Online E-Commerce segment particularly for electronics and electricals gadgets, our Company developed a robust Technological Platform www.fone4.in, wherein customers could buy their desired products through online E-Commerce with attractive offers and more particularly during festive and other seasons. Our company has a wide range of offerings through both online as well as offline platform for electronic gadgets and accessories for Smart Phones, Laptops, Smart Television etc on the likes of Apple, Samsung, Oppo, Vivo, Xiaomi, Nokia, Redmi, Techno, Karbonn, One Plus, Dell, Lenovo, Asus, HP, Acer, Avita, TCL, LG, Sansui etc.

Our Company to boost the online E-commerce sales in the State of Kerala, gradually started opening up retail stores at strategic locations and presently the company has 25 showrooms spread at: (Calicut (02), Cochin (06), Kollam (02), Kottayam (02), Malappuram (01), Palakkad (07), Thrissur (02), Trivandrum (03)). Whilst the retail stores are located at prominent locations to attract greater footfalls but the overall idea was to effectively deliver the products booked through online. Our company has emerged as one of the most trusted online platform outfit for purchase of Electronics gadgets and accessories in the State of Kerala.

Though E-Commerce has no boundaries but to be more effective the delivery logistics chains play a key role in this model to be more successful. Our Company has a plans to expand the base to the entire Southern Region by either having its own Retail Stores or through a franchise model. The presence in the Southern Region will make our company as well as our E-Commerce model a One Stop Techno Hub for buying leading brands of electronics gadgets and accessories.

Our Company has tied-up with several reputable brands under the sub-dealership arrangement, to showcase their products, both at our Retail Outlets as well as on our online E-Commerce portal.

Our Company plans to expand the base through strategic acquisition in the similar field and in the logistics arena. Our Company also has plans to strengthen our Technological platform so that more and more innovative tools can be made available to customers at large at a most competitive pricing.

Products Offered:

Our product range currently includes Smart Phones, Laptops, and Smart TVs from major manufacturers such as Apple, Samsung, Oppo, Vivo, Xiaomi, Nokia, Redmi, Techno, Karbonn, One Plus, Dell, Lenovo, Asus, HP, Acer, Avita, TCL, Xiaomi, LG, and Sansui. The company offers a wide range of products to customers under different brand names.

The best selling products and brands are Samsung, Vivo, Oppo, Xiaomi which contribute approximately 79% of the company's revenue.

Geographies Served:


Our products are sold majorly in the state of Kerala.

Key Performance Indicators: Revenue from operations, EBITDA and Net Profit Margin

Industries Served: E-Commerce Industry & Consumer Durables Industry

Employees Strength: As on April 18, 2022, we employed 43 employees.

Intellectual Property:

Sr. No.	Logo	Class	Trademark Type	Owner of Trademark	Application No.	Date of application	Status
1		35	Wordmark	Sayyed Hamid	4722182	28/10/2020	Accepted & Advertised

Market Share: Not ascertainable

Manufacturing Plant: None

Our Business Strategy:

➤ <i>Increasing trade/sales</i>	➤ <i>Strengthening Distribution Network</i>
➤ <i>Upgrade & Renovation</i>	➤ <i>Maintaining edge over competitors</i>
➤ <i>Brand building</i>	➤ <i>Improving operational efficiency</i>
➤ <i>Targeting the Middle Class</i>	➤ <i>Supply chain management & systems</i>
➤ <i>Building a professional organization</i>	

BOARD OF DIRECTORS

Sl. No.	Name	Details	Experience	Other Directorship
1	Sayyed Hamid	Managing Director	Sayyed Hamid , aged 43 years, is an entrepreneur from Kerala settled in Kochi with astute business acumen and foresight. Over the last 15 years, he has diversified into Retail, Hospitality and Distribution businesses across South India. His journey as a businessman started in 1997 from a small room that his father owned in Kochi's Penta Menaka which is now the hub for all kinds of electronic gadgets. Unlike many of his contemporaries he didn't inherit a business empire but build it from scratch from that one room shop that he personally managed in along with two assistants. Right from the days of his first store, he brought in a personal touch in customer service & after sales service. This helped in developing a very good rapport with his clients. Mobile & automobile are the twin passions of Sayyed Hamid, and he owns one of the popular retail chain in Kerala for electronic gadgets.	1. Smokin Burg Private Limited 2. Futureevents Enterprises Private Limited 3. Springstay Hotels and Apartments Private Limited (Strike Off)
2	Roudha Zerlina	Non-Executive Director	Roudha Zerlina , aged 36 is the wife of Sayyed Hamid. She is a B.com Graduate. After studies she had built a one of its kind dessert brands named pudding jar on her own especially for wide varieties of desserts in Bangalore, Karnataka. Pudding Jar's 1st outlet was opened on Feb 14, 2020 at Frazer town Bangalore. Later expanded to 3 more new outlets at Bangalore itself. She is also adding value to the business of FONE4 Communications (India) Ltd as a Non-Executive Director of the company.	NIL

3	Sayed Haris Sayed Imbichi	Executive Director & CFO	Sayed Haris Sayed Imbichi , aged 26 Years is an entrepreneur from Kerala settled in Kochi with astute business acumen and foresight. He has started working with heavy equipment rental business supported his father in Jeddah Kingdom of Saudi Arabia. He has completed his B Com. from Calicut University, is pursuing ACCA. He is the Executive Director and CFO of the Company.	NIL
4	Mohammed Asharaf	Independent Director	Mohammed Asharaf , aged 26 years, the Diabetes Counsellor of Alp Consulting Limited, Bengaluru, has nearly 5 years of experience in the medical field. He had done Bachelor of Science in Diabetes Science with First class from Amrita Vishwa Vidyapeetham University, Cochin. He is the Independent Director of the Company.	NIL
5	Mohammed Arzoo Abdul Latheef	Independent Director	Mohammed Arzoo Abdul Latheef , aged 28 years, is associated with Asteria builders and has nearly 5 years of experience in the real estate sector. He is responsible for the overall working of the Asteria builders and is instrumental in making strategic decisions for it. He is also active in social activities and is part of various charitable organizations. He has done civil engineering Bachelor of Engineering from Visvesvaraya Technological University, Belagavi, Karnataka, India. He is the Independent Director of the Company.	NIL

OBJECT OF THE ISSUE

The Issue includes a fresh Issue of 68,00,000 Equity Shares of our Company at an Issue Price of ₹10/- per Equity Share aggregating to ₹680.00 Lakhs.

Our Company proposes to utilize the funds which are being raised through this Issue towards the below mentioned objects and gain benefits of listing on SME Platform of BSE Limited.

The Objects of the Issue are:

- A. To meet the working capital requirements of the company
- B. To meet the Issue Expenses
- C. General Corporate Purposes

Our Company believes that listing will enhance our Company's corporate image, brand name and create a public market for its Equity Shares in India. It will also make future financing easier and affordable in case of expansion or diversification of the business. Further, listing attracts interest of institutional investors as well as foreign institutional investors.

The main objects clause of our Memorandum enables our Company to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the object's clause of our Memorandum. The fund requirement and deployment are based on internal management estimates and has not been appraised by any bank or financial institution.

Details of means of finance –

The fund requirements for each of the objects of the Issue are stated as follows:

(Rs. in lakhs)

Sr. No.	Objects of the Issue	Total estimate cost	Amount deployed	Amount to be financed from Net Proceeds	Estimated Net Proceeds Utilization Fiscal 2023
1	To meet working capital requirement	600.50	NIL	600.50	600.50
2	Public issue expenses	49.50	NIL	49.50	49.50
3	General corporate purposes	30.00	NIL	30.00	30.00
	Total	680.00	NIL	680.00	680.00

For further details please refer chapter "Object of the issue" beginning on page no. 50 of the prospectus.

Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues/rights issues, if any, of the Company in the preceding 10 years: *Not Applicable*

Name of monitoring agency, if any: *Not Applicable*

Terms of Issuance of Convertible Security, if any: *Not Applicable*

PRE-ISSUE SHAREHOLDING PATTERN

Sr. No.	Particulars	Pre-Issue number of shares	% Holding of Pre-issue
1.	Promoter & Promoter Group	1,02,49,999	100 %
2.	Public	1	-
	Total	1,02,50,000	100 %

For further details please refer “**Capital Structure**” beginning on Page no. 40 of the Prospectus.

Number/amount of equity shares proposed to be sold by selling shareholder: *Not Applicable*

RESTATED AUDITED KEY FINANCIALS

(Rs. In Lakhs)

Particulars	For the period ended December 31, 2021*	For the year ended March 31,		
		2021	2020	2019
Revenue from Operation	4195.46	6313.93	5742.15	14689.61
Net Profit/(Loss) before tax	4.00	(22.51)	(119.49)	(173.52)
Net Profit/(Loss) after tax	8.64	(10.00)	(97.98)	(155.35)
Equity Share Capital	575.00	175.00	175.00	175.00
Reserves and Surplus	(168.09)	(176.74)	(166.73)	(68.95)
Net worth	406.90	(1.74)	8.27	106.05
Basic & Diluted earnings per share (Rs.)	0.15	(0.57)	(5.59)	(8.88)
Return on net-worth (%)	2.12%	-	(1182.60 %)	(149.46 %)
Net Asset Value Per Share (Rs)	7.08	(0.10)	0.47	6.06

*(Not Annualised)

For further Detailed information, please refer Chapter “**Capital Structure**” and “**Basis for Issue Price**” beginning from page no. 40 and 54 of prospectus respectively.

INTERNAL RISK FACTORS

The below mentioned risks are top 10 risk factors as per the Prospectus.

- Our Company, Promoters, Promoters Group and Group Company are party to certain litigation and claims. These legal proceedings are pending at different levels of adjudication before various courts and regulatory authorities. Any adverse decision may make us liable to liabilities/penalties and may adversely affect our reputation, business and financial status.
- Our Company’s business highly depends on the brands recognition and reputation of the products it offers to sell and their inability to maintain or enhance brands image that we sell could have a material adverse effect on our business, financial condition and results of operations.
- Our Company is dependent on external suppliers/distributors for its product requirements. Any delay or failure on the part of the external suppliers/distributors to deliver products, may materially and adversely affect our business, profitability and reputation.
- We may be subject to risks associated with product warranty for the brand products.
- Our company has suffered loss as per Restated Financial statement from FY 2019 to FY 2021.
- A large part of our revenues is dependent on a limited number of brands. The loss of any of our major brands or a decrease in the supply or volume from such brands, will materially and adversely affect our revenues and profitability.
- Our Registered Office and all the 25 stores from where we operate are not owned by us.

8. The extent to which the Coronavirus pandemic (COVID-19) may affect our business and operations in the future is uncertain and cannot be predicted.
9. The Qualification and Experience Proof of some of our Promoters & Directors are not available.
10. Our revenues are highly dependent on our operations in certain geographical region of Kerala. Any adverse development affecting our operations in these regions could have an adverse impact on our business, financial condition and results of operations.

For further details please refer the chapter “Risk Factor” on page no. 17 of our Prospectus.

SUMMARY OF OUTSTANDING LITIGATION, CLAIMS AND REGULATORY ACTION

A. Total number of outstanding litigations against the Company and amount involved:

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Aggregate amount involved (Rs in crores)
Company						
By the Company	NIL	NIL	NIL	NIL	NIL	NIL
Against the Company	NIL	3	NIL	NIL	NIL	1.99
Directors						
By our Directors	NIL	NIL	NIL	NIL	NIL	NIL
Against the Directors	NIL	2	NIL	NIL	2	1.71
Promoters						
By Promoters	NIL	NIL	NIL	NIL	NIL	NIL
Against Promoters	NIL	NIL	NIL	NIL	NIL	NIL

For further details of “Outstanding Litigation and Material Developments” please refer page no. 131 of the Prospectus.

B. Brief details of top 5 material outstanding litigations against the Company and amount involved:

A. Y.	Section Code	Date of Demand	Amount	Particulars
2017-18	143(3)	23/12/2019	1,97,40,919	The Company filed the Income Tax return on 31/10/2017 declaring a total income of Rs.47,39,780/-. Subsequently the AO has while completing the assessment has fixed the Total Income of the Company of Rs.4,52,23,810/- by addition of various other income. Aggrieved by the said addition the Company has preferred an Appeal before the CIT Appeals on 21/01/2020. The matter is pending.
2018-19	143(3)	10/09/2021	1,55,350	No appeal has been preferred and matter is pending
2019-20	143(1)(a)	14/07/2020	270	No appeal has been preferred and matter is pending

C. Regulatory action, if any – disciplinary action taken by SEBI or stock exchange against the promoters in last 5 financial years including outstanding action, if any – NIL

D. Brief details of outstanding criminal proceedings against the promoters – NIL

*For further details of “**Outstanding Litigation and Material Developments**” please refer page no. 131 of the Prospectus.*

ANY OTHER IMPORTANT INFORMATION AS PER LEAD MANAGER / ISSUER

NIL

DECLARATION BY THE COMPANY

We hereby declare that all relevant provisions of the Companies Act and the guidelines/ regulations issued by the Government of India, or the guidelines/ regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in the prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements in the prospectus are true and correct.