SURESH & CO.
Chartered Accountants

'SRINIDHI', #43/61, 1st Floor,
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Bengaluru - 560 004

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INDEPENDENT AUDITOR'S REPORT

To the Members of Foundation for Sandboxstartup Initiatives

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of M/s. **Foundation for Sandboxstartup Initiatives ("*the Company*")** which comprises the Balance Sheet as at March 31, 2025, the Statement of Income and Expenditure, the Cash Flow Statement for the year then ended and notes to the financial statement, including a summary of the 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 March 31, 2025, its deficit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial statement 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 together with the ethical requirements that are relevant to our audit of the financial statement under the provisions of the Act and the Rules issued thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the financial statement and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report, but does not include the financial statement 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 in the 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.

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Responsibility of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows 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 read with applicable Rules.

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 judgements 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 statement 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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statement 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 judgement 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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Bangalore
CHARTERED ACCOUNTANTS

- 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 statement 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 statement represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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.

Report on Other Legal and Regulatory Requirements

1. The provisions of The Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of subsection (11) of section 143 of the Companies Act, 2013, is not applicable since the company is registered under section 8 of the Act.

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 the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

   d. In our opinion, the aforesaid financial statement complies with the Accounting Standards specified under Section 133 of the Act;

   e. On the basis of the written representations received from the directors as on 31st March, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164(2) of the Act.

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f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls as required under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 we state that the company, being a Private Limited Company

   i. not having a turnover exceeding Rs. 50 Crores as per latest audited financial statement, and
   ii. not having aggregate of any borrowings from banks and public financial institution or body corporate exceeding Rs. 25 Crore at any point of time during the financial year.

   Hence reporting under the clauses referred in the above, are not applicable to the Company for the year.

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 pending litigations which would impact 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.

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

   iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 2.30(i) to the financial statements, 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;

   (b) The management has represented, that, to the best of its knowledge and belief, as disclosed in the note 2.30(ii) to the financial statements, 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

   (c) Based on such audit procedures we have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

   v. The company has not declared dividend during the year. Hence, the compliance of Section 123 of the Act is not applicable.

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vi. Based on our examination which included test checks, as disclosed in note 2.28 of the financial statements, the Company has used accounting softwares for maintaining its books of account, which have a feature of recording audit-trail (edit-log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares. Further, for the periods where audit trail (edit-log) facility was enabled and operated for the respective accounting softwares, we did not come across any instance of the audit trail feature being tampered with. Further, the audit trial has been preserved as per the statutory requirements for record retention.

for SURESH & CO.
Chartered Accountants
Firm Registration No.: 004255S

Bangalore
CHARTERED ACCOUNTANTS

Udupi Vikram
Partner
Membership No.: 227984
Bengaluru
03 September, 2025
UDIN: 25227984BMJATD7833

FOUNDATION FOR SANDBOXSTARTUP INITIATIVES
CIN : U74999KA2016NPL092977
Regd. Office: Next to International Airport, Gokul Road Opp to Gokul Village Hubballi Dharwad KA 580030
Balance Sheet as at March 31, 2025

INR In Lakhs

PARTICULARS	Notes Ref.	As at March 31, 2025	As at March 31, 2024
EQUITY AND LIABILITIES			
SHAREHOLDER'S FUNDS			
(a) Share capital	2.1	1.00	1.00
(b) Reserves and surplus	2.2	1,587.12	1,548.76
NON-CURRENT LIABILITIES			
(a) Long-term provisions	2.3	242.52	180.12
CURRENT-LIABILITIES			
(a) Short term borrowings	2.4	-	163.54
(b) Trade payables			
- Total outstanding due to micro & small enterprises			
- Total outstanding due to others	2.5	2.35	11.36
(c) Other current liabilities	2.6	78.46	92.07
(d) Short-term provisions	2.7	4.02	2.38
Total equity and liabilities		**1,915.47**	**1,999.23**
ASSETS			
NON CURRENT ASSETS			
(a) Property, Plant and Equipment and Intangible assets			
(i) Property plant & equipment	2.8	356.05	369.23
(ii) Intangible assets			
(iii) Capital work in progress			
(b) Non-current investments	2.9	555.88	555.90
(c) Non Current Assets	2.10	0.79	6.68
CURRENT ASSETS			
(a) Trade receivables	2.11	40.75	38.67
(b) Cash and bank balances	2.12	842.69	980.54
(c) Short term Loans & Advances	2.13	90.28	21.00
(d) Other current assets	2.14	29.03	27.21
TOTAL		**1,915.47**	**1,999.23**
Significant Accounting Policies	1		
Notes forming part of financial statements	2		

Refer to our report of even date attached
For **SURESH & CO.**
Chartered Accountants
Firm Registration No : 004255S

Urupi Vikram
Partner
Membership No : 227984
Bengaluru
September 03, 2025

For and on behalf of Board of

FOUNDATION FOR SANDBOXSTARTUP INITIATIVES

Ramanathan Narayanan
Director
DIN: 01745689
Bengaluru
September 03, 2025

Manish Kumar Jaiswal
CEO and Additional Director
DIN: 10752173
Hubballi
September 03, 2025

FOUNDATION FOR SANDBOXSTARTUP INITIATIVES
CIN : U74999KA2016NPL092977
Regd. Office: Next to International Airport, Gokul Road Opp to Gokul Village Hubballi Dharwad KA 580030
Statement of Income and Expenditure for the year ended March 31, 2025

INR in Lakhs

PARTICULARS	Notes Ref.	Year Ended March 31, 2025	Year Ended March 31, 2024
INCOME			
Revenue from operations	2.15	389.83	610.12
Other income	2.16	47.85	37.95
Transfer from capital grant - depreciation equalisation	2.2	38.44	40.35
TOTAL		**476.12**	**688.42**
EXPENSES			
Employee cost & benefits	2.17	301.22	319.67
Finance cost	2.18	14.31	3.93
Depreciation and amortization expenses	2.8	48.76	47.24
Other expenses	2.19	340.99	509.97
TOTAL		**705.28**	**880.81**
Surplus/(Deficit) before tax		**(229.16)**	**(192.39)**
Tax expenses			
a) Current tax		-	-
b) Deferred tax (income)/expenses		-	-
Surplus/(Deficit) after tax		**(229.16)**	**(192.39)**
Earnings per share			
(Face value of Rs. 100/- per share)			
- Basic / Diluted (in ₹)	2.21	(22,916.37)	(19,238.89)
Significant Accounting Policies	1		
Notes forming part of financial statements	2		

Refer to our report of even date attached
For **SURESH & CO.**
Chartered Accountants
Firm Registration No : 004255S

Udupi Vikram
Partner
Membership No : 227984
Bengaluru
September 03, 2025

For and on behalf of Board of

FOUNDATION FOR SANDBOXSTARTUP INITIATIVES

Ramanathan Narayanan
Director
DIN: 01745689
Bengaluru
September 03, 2025

Manish Kumar Jaiswal
CEO and Additional Director
DIN: 10752173
Hubballi
September 03, 2025

FOUNDATION FOR SANDBOXSTARTUP INITIATIVES

CIN:U74999KA2016NPL092977

Regd. Office: Next to International Airport, Gokul Road Opp to Gokul Village Hubballi Dharwad KA 580030

Cash flow statement for the year ended March 31, 2025

INR In Lakhs

Sl. No	Particulars	Year ended March 31, 2025	Year ended March 31, 2024
A	**Cash flow from Operating activities**		
	Profit before tax	**(229.16)**	**(192.39)**
	Adjustments for:		
	Depreciation and amortisation expenses	48.76	47.24
	Finance costs	14.31	3.93
	Interest income from bank on deposits	(38.29)	(30.20)
	Depreciation Equalisation	(38.44)	(40.36)
	Provision for Bad Debts	1.76	5.67
	Investment written off/ Impaired	62.52	75.02
	Gratuity Liability	5.91	(6.96)
	Leave Encashment	5.01	1.54
	Liablity no longer required Written back	-	(0.45)
	Profit on Sale/Exchange of Assets/Investment	(8.50)	(0.06)
		(176.13)	(137.03)
	Changes in working capital:		
	Adjustments for (increase)/ decrease in operating assets		
	Trade receivables	(3.86)	(13.33)
	Other current assets	0.55	(3.47)
	Short term loans & advances	0.72	41.53
	Long Term Advance		
	Adjustments for increase/ (decrease) in operating liabilities		
	Trade Payables	(9.01)	11.36
	Other current liabilities	(13.61)	(68.21)
	Gratuity & Compensated leave	(9.39)	(15.45)
	Short Term Borrowing	(163.54)	163.54
	Long Term Provision - Gratuity Payments	-	-
	Cash generated from operations	(374.27)	(21.07)
	Income tax (paid) net of refund	3.53	(6.20)
	Net cash flow from / (used in) operating activities	**(370.74)**	**(27.26)**
B	**Cash flow from Investing activities**		
	Capital grant received (including interest income)	415.64	874.50
	Prototype Grant for Innovators	(74.90)	(64.65)
	Unspent grants / interest on grant refunded	(14.67)	(7.67)
	Withdrawn for Execution of Grant	(20.10)	(34.16)
	Purchase of fixed assets	(35.58)	(13.17)
	Sale of fixed assets	-	0.15
	Non current investments	8.52	(49.93)
	Interest income from bank on deposits	38.29	30.20
	Net cash flow from / (used in) investing activities	**317.20**	**735.27**

Continued...

SURESH & CO. Bangalore CHARTERED ACCOUNTANTS

FOUNDATION FOR SANDBOXSTARTUP INITIATIVES

FOUNDATION FOR SANDBOXSTARTUP INITIATIVES

CIN:U74999KA2016NPL092977

Regd. Office: Next to International Airport, Gokul Road Opp to Gokul Village Hubballi Dharwad KA 580030

Cash flow statement for the year ended March 31, 2025

INR In Lakhs

Sl. No	Particulars	Year ended March 31, 2025	Year ended March 31, 2024
C	**Cash flow from Financing activities**		
	Proceeds from Short term borrowings	-	-
	Loans to Startups Under SISFS	(70.00)	-
	Finance costs	(14.31)	(3.93)
	Net cash flow from / (used in) financing activities	**(84.31)**	**(3.93)**
	Cash and bank balances at the beginning of the year	**980.54**	**276.45**
	Net increase / (decrease) in cash and bank balances (A)+(B)+(C)	**(137.85)**	**704.09**
	Cash and bank balances at the end of the year	**842.69**	**980.54**
	Components of cash and bank balances		
	Cash in hand	-	-
	Balances with banks	839.77	677.60
	Other Bank Balances	2.92	302.94
		842.69	**980.54**

See accompanying notes forming part of financial statements

Refer to our report of even date attached
For **SURESH & CO.**
Chartered Accountants
Firm Registration No : 004255S

Udupi Vikram
Partner
Membership No : 227984
Bengaluru
September 03, 2025

For and on behalf of Board of
FOUNDATION FOR SANDBOXSTARTUP INITIATIVES

Ramnathan Narayanan
Director
DIN: 01745689
Bengaluru
September 03, 2025

Manish Kumar Jaiswal
CEO and Additional Director
DIN: 10752173
Hubballi
September 03, 2025

FOUNDATION FOR SANDBOXSTARTUP INITIATIVES

CIN: U74999KA2016NPL092977

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES
Forming part of Accounts for the year ended on 31st March 2025

Background:

Foundation for Sandboxstartup Initiatives (Company) was incorporated under Section 8 of the Companies Act, 2013, vide License No.106722 dt.26.04.2016 and was incorporated on May 06, 2016.

The Primary objects of the company is to promote, encourage, foster, develop, assist, and sustain entrepreneurs and entrepreneurship through every possible effort, activities, business plan/pitch competitions, and programs. To establish, manage and operate incubators to nurture and incubate individuals and teams with innovative products/prototypes to convert their efforts to enterprises by establishing a Technology Business Incubator and establishing Testing Laboratories, Plants, co-working spaces in order to achieve its objects.

The details of current statutory registrations of the company and corresponding validity are as follows

Statute/Section/ Regn. No.	Authority	Valid until
Income Tax Act, 1961/ Section 12A/AACCF8094LE20214	Principal Commissioner of Income Tax	Assessment Year 2026-27
Income Tax Act, 1961/Section 80G/ AACCF8094LF20214	Principal Commissioner of Income Tax	Assessment Year 2026-27
Foreign Contribution Regulation Act, 2010/Section 11(1)/ 094520085	Ministry of Home Affairs	Valid for a period of five years with effect from July 07, 2025 (Up to July 20, 2030)
The Companies Act, 2013 for CSR1/Section 135/CSR00001469	Ministry of Corporate Affair	Since April 09, 2021 and onwards
Not under any specific statute/ KA/2017/0158443	NITI Aayog, Government of India	Since July 18, 2017 and onwards

FOUNDATION FOR SANDBOXSTARTUP INITIATIVES

FOUNDATION FOR SANDBOXSTARTUP INITIATIVES

CIN: U74999KA2016NPL092977

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

Forming part of Accounts for the year ended on 31st March 2025

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of Preparation

The financial statements have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the Accounting Standards specified under Section 133 of the Act, read with applicable Rules. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

1.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make certain estimates and assumptions in the reported amounts of assets and liabilities (including contingent liabilities) as on the date of financial statements and reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Difference between actual results and estimates are accounted in the year/period which they materialise.

1.3 Revenue Recognition:

i. Grants, Donations and Program Sponsorships:
General Grants, Donations and Sponsorships are recognized in the year that they are received.

Grants and Donations for specific purposes are recognized in line with the Agreement with the Grantor/Donor and spread over multiple accounting periods in accordance with the requirements of expending such Grants and reported to the Grantor/Donor.
Any unspent amount will be shown as unspent grant under current liability.

ii. Grants/ Donations in the form of Fixed Assets or Capital Grants/Donations for acquisition of Fixed:
In the event, Fixed Assets or the Cost of the fixed assets are received in the form of Grants/Donations, such Grants are first recognized as Capital Grant and the value of Asset is recognized in full as Capital Assets in the books of the Company. Further the corresponding assets have been depreciated as per the Accounting policy followed by the Company. Accordingly, Company will withdraw amount equivalent to Depreciation on Fixed Assets from the Capital Grant and Credit to the Revenue Account This treatment is accorded to all Grants received in the form of Fixed Assets irrespective of its useful life.

iii. Other Incoming Funds:
All incoming funds are categorized into 2 categories – Capital / Corpus Funds and General Funds.

Contributions received specifically, in writing, towards Corpus Fund of the Foundation are directly credited to Corpus Fund Account and disclosed as part of Capital Fund Account in the financial statements. Utilization of amounts from Corpus Fund are approved by Board of Directors and disclosed accordingly.

Contributions received Capital Fund of the Foundation, including Funds that are in the nature of Capital Fund as approved by the Board of Directors, are directly credited to Capital Fund Account and decisions to utilize the funds credited to Capital Fund are approved by the Board of Directors for allocation to projects, which comply with the objectives of the Company.

Wherever Donors have specific requirements as to the treatment of their funds donated as Capital / Corpus, such funds are accounted accordingly and shown separately.

Separate books of accounts including Bank accounts, as may be applicable are maintained for use of funds for projects out of Capital Funds. Balance if any, at the end of the completion of specific projects are transferred back to Capital Fund Account.

General Funds are funds which are received for general purposes and applied to all other activities of the Foundation including specific projects and are accounted as **General Donations/Voluntary contributions** under Income and Expenditure Account. Funds received under General Fund Account are to be considered for application to the activities relating to the objects of the Trust as required under the provisions of Income Tax Act, 1961 and rules framed there under.

iv. Basis of Accounting:

All revenues, cost, assets and liabilities are generally recognized on accrual basis. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. In addition, the following criteria shall be applied in recognizing revenues in the books of account:

(a) Voluntary Contribution/General Donation:

(i) Contribution received other than for Donation in the nature of Capital Fund/Corpus as specified in this Section are recognised as income in the year of receipt unless same has to be spent over specified period of time beyond the year of receipt. In such cases, the Fund relating to the period will be recognised as Income of the Company.

(ii) Contributions received as corpus donation are credited to designated Capital Fund in the Balance sheet.

(b) Income from advisory / consultancy / policy advocacy and capacity building services are recognised on accrual basis based on percentage of completion method / agreement with clients on rendering of services.

(c) Interest income on Savings Bank accounts and Fixed Deposits are accounted on accrual basis.

(d) Dividend is accounted when the right to receive is established.

(e) Income for services received in the form of shares/debentures or other securities of Incubatees or beneficiaries are recognised as Income on the basis of allotment of shares by such Incubatees / beneficiaries, which shall be valued at lower of the face value or value derived under Net asset value Method, as certified by a Chartered Accountant, as the case may be.

1.4 Management of Funds

All the funds of the Company held are expendable funds, subject to such restrictions or agreements that may have been entered into by the Company. The Board has complete discretion for the use of these funds in pursuance of the Company's objectives.

1.5 Fixed Assets

Fixed assets are stated at cost of acquisition inclusive of freight, duties, taxes and interest on borrowed money allocated to and utilized for fixed asset directly attributable to bringing the assets to its working condition for its intended use and up to the date of capitalization. Fixed Assets received in the form of Grants are recognised in accordance with Clause 1.3 (ii) hereinabove.

Self-generated assets are capitalized at the actual cost of material, labour & other incidental expenditure incurred to bring such assets into existence. The costs are apportioned to individual assets on the basis of size, dimension, weight etc.

Software Licenses procured by the Company for the purposes of providing services to its incubates and other eligible users are capitalized in the Books of Account and written off over the period of license granted to the Company

1.6 Leasehold Improvements

The expenditure incurred on improvements to the leasehold premises including permanent or temporary structures therein are amortized over the period of the primary lease under straight line basis.

1.7 Depreciation:

In compliance with the requirement of Schedule II to Companies Act, 2013, the Company has adopted Straight Line Method of depreciation so as to write off 95% of the cost of the assets (Excluding Intangible Assets, which are written off 100% of the Cost) over the life of assets prescribed under Schedule II to the Companies Act, 2013, except for Fixed Assets received in the form of Grants as stated in Clause 1.3 hereinabove.

The Company has used the following useful lives to provide depreciation on its fixed assets.

Particulars	Useful life as per Schedule II	Useful life used by company
COMPUTERS	3 years	3years
OFFICE EQUIPMENT	5 years	5 years
PLANT AND MACHINERY	15 years	15 years
FURNITURE & FIXTURES	10 years	10 years

Intangible assets useful life has been considered as 3 years.

1.8 Foreign currency transactions

Remittances in foreign currency are accounted at the prevailing exchange rate on the date of the receipt of remittance. Expenditure in foreign currency is accounted at the exchange rate prevalent when such expenditure is incurred. The exchange differences arising on foreign currency transactions are recognized as income or expense in the period in which they arise. Monetary current assets and monetary current liabilities that are denominated in foreign exchange are translated at the exchange rate prevalent at the date of the balance sheet. The resulting difference is also recorded in the profit and loss account.

1.9 Investments:

i. Investments classified as Non-Current investments are carried at cost. However, provision for diminution is made to recognize a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually.

Further, Investments received as consideration for the services rendered by the Company are recognized as Non-Current Investments initially at the values specified in para 1.3(iv)(e) above.

ii. Current Investments are valued at Cost or et realizable value, whichever is lower.

FOUNDATION FOR SANDBOXSTARTUP INITIATIVES

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES
Forming part of Accounts for the year ended on 31st March 2025

1.10 **Impairment of Investment**

The Company has adopted the following process to identify any impairment in the value of Investments held by as at close of the financial year.

i. All investments made at face value will continue to be carried at face value in the Balance Sheet. An impairment would be recognized under the following circumstances

a) A startup has filed OR is in the process for filing with MCA for shutting down OR
b) The Company has not filed its MCA returns for a period of 2 financial years and the founders have expressed their inability OR not reachable.
c) The startup has filed a declaration with the Company (FSSI) that they do not intend to continue the startup.

ii. Other Investments made at premium:
d) All investments are provided a minimum gestation period of 3 years from the date of investment.
e) This period of 3 years is reduced if the Company has completely stopped operations OR has declared in writing to the Company that the startup intends to close down operations.
f) Irrespective of the performance shown by the startups, all investments at premium are carried in full in the financials for a period of 3 years.
g) Post 3 years, test of impairment of investment will consider the following:

i) Negative cash flows reported by Startups for 4 consecutive quarters from beginning of 4th year.
ii) Entire Intellectual property of the startup has been rendered obsolete due to change in business model.
iii) Any legal issues have been reported by Startup that would significantly impact its ability to operate.
iv) Other than mentioned in Sl. No. i to iii above, the investment committee in its review of overall performance of startups, feels it prudent to partially or fully write down the investment.

iii. Any write down of any investment, partial or full, is approved by the Board of Directors and regulatory authorities and/or investment partners are informed of this decision.

1.11 **Income / Deferred taxes**

The Company has obtained the recognition under Section 12A of the Income Tax Act, 1961 and the activities of the Company are charitable in nature. Subject to compliances under the provisions of Section 11 of the Income Tax Act, 1961, the Company is not liable to any Direct Taxes, which the Company is compliant. Hence, the Company is not recognizing Direct/ Deferred Tax Liabilities/assets.

1.12 **Cash, Cash equivalents and Cash flow Statement**

i. Cash and Cash equivalents: Cash and cash equivalents comprise cash on hand, cash in bank and deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

ii. Cash flow statement: Cash flows are reported using the indirect method, whereby surplus / (deficit) before extraordinary items and tax is adjusted for the effects of transactions of non-

FOUNDATION FOR SANDBOXSTARTUP INITIATIVES

cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

1.13 Employee Benefits

a. Defined-contribution plans
The Company's contributions to the Employees' Provident Fund and Employees' Pension Scheme are as per statute, as may be applicable, and are recognized as expenses in the Income and Expenditure account.

b. Defined – Benefit plans
Liability towards gratuity is accrued based on actuarial valuations at the balance sheet date, carried out by an independent actuary. Actuarial Gains or Losses are recognized immediately in the Income and Expenditure account as income or expense.

c. Short term employee benefits
Liability towards short term employee benefits like salaries, social security contributions, short term compensated absences (such as paid annual leave), where the absences are expected to occur within twelve months or after the end of the period in which the employees render the related services and bonus /performance incentives etc., are recognized, during the period when the employee renders the services.

d. Leave Encashment
In accordance with the Human Resources Policy adopted by the Company, employees are allowed to carrying forward of accrued paid leaves to the maximum of 45 days over the period of the employment.

1.14 Miscellaneous Expenditure:
The preliminary expenses will be written off as expenses in the year, the same is incurred.

1.15 Borrowing Costs
Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as a part of the cost of such assets. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use. All other borrowing costs are charged to the statement of profit and loss.

1.16 Earnings per share
In determining earnings per share, the company considers the net profit/ (loss) after tax and includes the post-tax effect of any extra-ordinary item. The number of equity shares used in computing basic earnings per share is the weighted average number of equity shares outstanding during the period.

For Foundation for Sandboxstartup Initiatives

Ramanathan Narayanan	Manish Kumar Jaiswal
Director	CEO and Additional Director
DIN: 01745689	DIN: 10752173
Bengaluru	Hubballi
September 03, 2025	September 03, 2025

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2 NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2025

INR In Lakhs

	PARTICULARS	As at March 31, 2025	As at March 31, 2024
2.1	**SHARE CAPITAL**		
	AUTHORISED		
	1000 Equity Shares of Rs.100/- Each	1.00	1.00
	ISSUED, SUBSCRIBED, CALLED UP AND PAID UP		
	1000 Equity Shares of Rs.100/- Each	1.00	1.00

a. Terms/Rights attached to Equity Shares

The Company has only one class of share i.e., Equity Shares having a face value of Rs.100/- per share. Each Equity shareholder is entitled to one vote per share. Since, the Company is a Section 8 Company, the Company is not permitted to distribute Profit or Benefit to members. Hence the Company has not declared any Dividend.

b. Movement of Shares during the year	**Nos.**	**Nos.**
Equity Shares at the beginning of the Year	1,000.00	1,000.00
Add: Issued during the Year	-	-
	1,000.00	1,000.00
Less: Buy back of shares/For fieted Shares	-	-
Balance at the end of the Year	**1,000.00**	**1,000.00**

c. Details of shareholders holding more than 5% in the paid up share capital of the Company

Name of the Share Holder	As at 31 March 2025 No. of shares	As at 31 March 2025 % Holdings	As at 31 March 2024 No. of shares	As at 31 March 2024 % Holdings
Equity shares of Rs.100/- each fully paid up				
Shri Shreekant Deshpande	340.00	34%	340.00	34%
Shri Mahesh B Grampurohit	330.00	33%	330.00	33%
Shri Prasad Patil	330.00	33%	330.00	33%

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INR In Lakhs

d. Shareholding of Promoters

Shares held by promoter at the end of the year

Promoter name	Year ending 31 March 2025		Year ending 31 March 2024	
	No. of shares	% of total Shares	No. of shares	% of total Shares
Shri Shreekant Deshpande	340.00	34%	340.00	34%
Total	**340.00**	**34%**	**340.00**	**34%**

e, Dematerialisation of Shares

The Company is in the process of converting its equity shares to be held in a dematerialised form through National Securities Depository Limited. A Registrar and Transfer Agent as required under Rule 9A of the Companies (Prospectus and Allotment of Securities) Rules, 2014 has been appointed for this purpose. The process is likely to be completed shortly.

2.2	RESERVES AND SURPLUS	As at March 31, 2025	As at March 31, 2024
a.	**Retained Earnings**		
	Opening Balance	(960.82)	(768.43)
	Add: Provision for Dividend Reversed	-	-
	Add: Provision for Dividend Taxation Reversed	-	-
	Add: Surplus/(Defecit) for the Year	(229.16)	(192.39)
		(1,189.98)	(960.82)
	Less: Transfer to Reserve	-	-
	Closing Balance	**(1,189.98)**	**(960.82)**

2 NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2025

INR In Lakhs

b. **Capital Grant - DST GoI**		
Opening Balance	32.41	40.38
Add: Grants Received during the Year	-	-
Add: Interest accrued & received during the Year	-	-
	32.41	40.38
Less: Withdrawn for Depreciation Equalisation	7.09	7.98
Closing Balance	**25.31**	**32.41**

The Department of Science and Technology (DST), Government of India (GoI) vide their Letter No: 22/06/2015-NEB (C) dated 30.06.16 has released Capital Grant of Rs.120 Lakhs to be utilised for ESTABLISHMENT OF TECHNOLOGY BUSINESS INCUBATOR at Hubballi. As per the accounting policy followed by the Company, the said Grant has been treated as capital grant and corresponding assets have been capitalised.
In continuation of the Company's accounting policy of Capitalising and Depreciating the Fixed Assets acquired out of Capital Grants and to withdraw amount equivalent to Depreciation on these Fixed Assets from this Capital Grant and Credit to the Revenue Account.

Capital Grant - IESA - GoK - Development of ESDM Clusters		
Opening Balance	210.36	233.02
Add: Grants Received during the Year	-	-
Add: Interest accrued & received during the Year	-	-
	210.36	233.02
Less: Withdrawn for Depreciation Equalisation	21.96	22.66
Closing Balance	**188.40**	**210.36**

The Department of Information Technology & Biotechnology, Government of Karnataka (GoK) order No. ITD -77/ADM 2017 Dated 09.05.2017 and the related MoU with India Electronics and Semiconductor Association (IESA), Company has been sanctioned Capital Grant of Rs.340 Lakhs and Revenue Grant of Rs.60 Lakhs. Accordingly Company has received Rs.340 Lakhs towards Capital Grant till FY 2018-19. Using the said grant, the Company has created ESDM Facility at a Total Cost of Rs.356.65 Lakhs. The Company has used Rs.16.56 Lakhs from Incubation Facility Fund as detailed in Note No.2.2(c) above and other own Funds In continuation of the Company's accounting policy of capitalising and depreciating the fixed assets acquired out of Capital Grants and to withdraw amount equivalent to depreciation on these fixed assets from this Capital Grant and Credit to the revenue account.

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INR In Lakhs

d.	**Capital Grant - NIDHI SSS - DST (NEB Division)**		
	Opening Balance	624.98	629.12
	Add: Grants Received during the Year	-	-
	Add: Interest accrued & received during the Year	-	0.19
		624.98	**629.32**
	Less: Withdrawn for Execution of Grant	-	-
	Less: Interest Refunded	-	4.34
	Closing Balance	**624.98**	**624.98**

As per Order No.F.No.18/5/2017-NEB, Ministry of Science & Technology, Department of Science & Technology (NEB Division) (DST - NEB), Government of India, corresponding MoU with DST - NEB, Company has received a Grant in Aid of Rs 131.25 Lakhs during FY 2017-18 and Rs 525.00 Lakhs during FY 2018-19 under NIDHI - Seed Support System (NIDHI - SSS Scheme) (Rs.650 Lakhs for Investments and Balance Rs 6.25 Lakhs towards Management Fees). Accordingly the Company has invested during FY 2017-18 Rs 125.03 Lakhs , FY 2018-19 - NIL , FY 2019-20 Rs 255.11 Lakhs & FY 2020-21-NIL in the identified Incubatees under the NIDHI SSS Scheme and Rs 6.25 Lakhs was used for the expenditure relating to implementation of the Scheme during FY 2017-18. Further, the interest of Rs. 12.17 Lakhs earned during the FY in 2018-19, Rs 18.28 Lakhs in FY 2019-120, Rs 8.59 Lakhs in FY.2020-21 , Rs 6.13 Lakhs in FY 2021-22, Rs 3.05 Lakhs in FY 2022-23 and 0.19 lakhs in FY 2023-24 on the said funds are also considered as part of the Grant. During the year, no interest was earned since the project was closed and all allocated funds had been fully utilized.

e.	**Capital Grant - Give2 Asia**		
	Opening Balance	578.29	578.29
	Add: Grants Received during the Year	-	-
	Closing Balance	**578.29**	**578.29**
f.	**Capital Fund- Fidelity**		
	Opening Balance	535.52	535.52
	Add: Grants Received during the Year	304.88	-
	Closing Balance	**840.40**	**535.52**
g.	**Capital Fund - Deshpande Foundation**		
	Opening Balance	150.00	150.00
	Add: Grants Received during the Year	-	-
	Closing Balance	**150.00**	**150.00**

Company had received Corpus funds from Deshpande Foundation during the financial year 2020-21.

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INR In Lakhs

h. **Capital Grant - Nidhi EIR**

Opening Balance	24.58	12.38
Add: Grants Received during the Year	7.20	36.00
Add: Interest accrued & received during the Year	0.72	0.37
	32.50	**48.75**
Less: Withdrawn for Execution of Grant	20.10	24.16
Less: Refunded unspent grant & part of interest earned on grant	1.18	-
Closing Balance	**11.22**	**24.58**

Department of Science & Technology (DST) has launched National Initiative for Developing and Harnessing Innovation (NIDHI) Program. Entrepreneurs in Residence(EIR) is one of the programs introduced under NIDHI. In terms of agreement dated 12th Oct 2021 FSSI has received the funds of Rs 36 Lakhs for NIDHI-EIR support and of Rs. 3.6 Lakhs for administration of the grant. Further FSSI has received (to the extent of 80% of the sanctioned amount) the funds of Rs 28.80 lakhs for EIR support and Rs 2.88 Lakhs for adminstration of grant on 15th July 2023. During the year FSSI has received remaining 20 % of the sanctioned amount of Rs 7.20 Lakhs for EIR support and 0.72 Lakhs for Adminstration of Grant on 6th August 2024.

i. **Capital Grant - NIDHI PRAYAS**

Opening Balance	163.16	138.71
Add: Grants Received during the Year	80.00	100.00
Add: Interest accrued & received during the Year	1.59	2.15
	244.75	**240.86**
Less: Withdrawn for Depreciation Equalisation	9.38	9.72
Less: Prototype Grant for Innovators	54.20	64.65
Less: Refunded unspent grant & part of interest earned on grant	13.48	3.33
Closing Balance	**167.68**	**163.16**

In terms of Order SINE/2019PC25/2019-20(01), Ministry of Science & Technology, Department of Science & Technology (National S & T Entrepreneurship Development Board) Company has received first instalment (80%) Grant of Rs.176 Lakhs (out of which 16 Lakhs is towards operational expenditure) during the financial year 2019-20 & second instalment (20%) of Rs 44 Lakhs (out of which 4 Lakh is towards operational expenditure) during the financial year 2020-21. Total grant amount is of Rs.220 Lakhs out of which Rs.20 Lakhs is towards operational expenditure.In continuation of the Company's accounting policy of capitalising and depreciating the fixed assets acquired out of Capital Grants and to withdraw amount equivalent to depreciation on these fixed assets from this Capital Grant and Credit to the revenue account.

The grant is in aid to establishment of PRAYAS Centre under PRAYAS program at Incubation centre of the company. In continuation of same Company has received 80% of first instalment in F.Y. 2021-22 of Second year grant i.e., of Rs 120 Lakhs out of which Rs.20 Lakhs is towards operational expenditure and balance 20% received in FY 2022-23.FSSI has received the third year grant i.e., of Rs 120 Lakhs out of which Rs.20 Lakhs is towards operational expenditure during the current financial year.i.e 2023-24. Further FSSI has received the 80% of the 4th year grant during the year amount of Rs 96 lakhs, out of which. 80L pertains to prototype grant and 16 Lakhs towards operational expenditure.

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INR In Lakhs

j. **Capital Grant - Startup India Seed Fund Scheme (SISFS)**

Opening Balance	190.27	-
Add: Grants Received during the Year	-	200.00
Add: Interest accrued & received during the Year	5.56	0.27
	195.83	**200.27**
Less: Grant disbursed	5.00	10.00
Less: Interest Refunded	-	-
Closing Balance	**190.83**	**190.27**

In terms of Order P-38015/17/2023-STARTUP India, Ministry of commerce & Industry, Department for promotion of Industry and Internal Trade (Startup India Section) company has received first instalment (40%) Grant of Rs.210 Lakhs (out of which 10 Lakhs is towards operational expenditure) during the financial year 2023-24 under the startup india seeed fund scheme. the seed fund shall be utilized for providing onward funds to selected startups as per the para 8 of SISFS guidelines.

j. **Capital Grant - MeiTy Capital Grant - EIR**

Opening Balance	-	-
Add: Grants Received during the Year	15.70	-
	15.70	-
Less: Grant disbursed	15.70	-
Closing Balance	-	-

In terms of letter dated 13 Sep 2024-Governament of India, Ministry of Electronics & Information Technology company had shortlisted for GENESIS scheme of MeitY grant. in terms of the sanction order No. MSH/03/2025-MSH-DIC dated 01.02.2025, FSSI has received first instalment (40%) Grant of Rs.47 Lakhs (out of which 4 Lakhs is towards operational expenditure and 3 lakhs for events) during the financial year 2024-25 under the GENESIS-EIR project. the seed fund shall be utilized for providing onward funds to selected startups as per the guidelines.

TOTAL OF RESERVES AND SURPLUS	**1,587.12**	**1,548.76**

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INR In Lakhs

2.3	LONG TERM PROVISIONS		As at March 31, 2025	As at March 31, 2024
	Compensated Absence (Refer Note.2.23)		4.04	5.07
	Gratuity Payable (Refer Note.2.23)		0.91	-
	Provision for Impairment of Investment		237.57	175.05
		TOTAL	**242.52**	**180.12**

2.4	SHORT-TERM BORROWINGS		As at March 31, 2025	As at March 31, 2024
	Secured borrowings:			
	Overdraft facility from RBL Bank *		-	163.54
	Unsecured borrowings			
		TOTAL	**-**	**163.54**

* The overdraft facility of upto *₹ 2,65,50,000/- availed from a bank in FY 2023-24 has since been repaid fully during the current financial year. an Interest of Rs 14.31 lacs (P.Y Rs 3.93 Lacs) has been paid to during the current year.*

2.5	TRADE PAYABLES		As at March 31, 2025	As at March 31, 2024
	(i) MSME			
	(ii) Others		2.35	11.36
	(iii) Disputed dues-MSME		-	-
	(iv) Disputed dues-Others		-	-
		TOTAL	**2.35**	**11.36**

2.6	OTHER CURRENT LIABILITIES		As at March 31, 2025	As at March 31, 2024
	Liability for expense		22.74	25.42
	Salary Recoveries - Relief Fund Contributions		0.15	0.15
	Statutory dues		3.02	4.70
	Rent deposits - Incubatees		15.17	11.45
	Advance from debtors		0.04	-
	Unspent grant *(refer note 1.3)*		37.24	47.78
	Credit card dues		-	0.57
	Others		0.10	2.00
		TOTAL	**78.46**	**92.07**

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INR In Lakhs

	2.7 SHORT TERM PROVISIONS	As at March 31, 2025	As at March 31, 2024
	Compensated absence	0.75	0.65
	Gratuity Payable	3.27	1.73
	Provision for employment benefit (Refer Note. 2.23)		
	TOTAL	**4.02**	**2.38**

2.8	**PROPERTY, PLANT AND EQUIPMENT :** *(Related details are enclosed separately in Note 2.8)*	**356.05**	**369.23**

	2.9 NON CURRENT INVESTMENTS	As at March 31, 2025	As at March 31, 2024
(a)	*Investments in Equity Instruments (Unquoted)*		
	- 3Veni Tech Private Limited 200 shares of Re.1/- each, Fully paid up (PY- 200 shares of Rs.1/- each)	0.02	0.02
	- ArtitechInnovation Pvt Ltd 2000 shares of Rs.10/- each, Fully paid up(PY-2000 shares of Rs.10)	0.20	0.20
	- Ascentia Innovation Pvt Ltd 40 shares of Rs.10/- each, Fully paid up (PY40 shares of Rs.10/-)	0.00	0.00
	-Centrado Tech Solution Pvt Ltd 200 shares of Rs.10/- each, Fully paid up(PY-200 shares of Rs.10/-)	0.02	0.02
	- Ckelp Tech Private Limited 200 shares of Rs.10/- each, Fully paid up (PY- 200 shares of Rs.10/- each)	0.02	0.02
	-Dailygate Informix Pvt Ltd 40 shares of Rs.10/- each, Fully paid up(PY-40 shares of Rs.10/-)	0.00	0.00
	-Docketrun Tech Pvt Ltd 100 shares of Rs.10/- each, Fully paid up (PY-100 shares of Rs.10/-)	0.01	0.01
	- Dwail Private Limited 200 shares of Rs.10/- each, Fully paid up (PY- 200 Share of Rs.10/- each)	0.02	0.02
	- Electreps Private Limited 216 shares of Rs.10/- each, Fully paid up (PY - 216 shares of Rs.10/- each)	0.02	0.02
	- Intelligrow Cosnsultancy Services Pvt Ltd 200 shares of Rs.10/- each, Fully paid up (PY-200 shares of Rs.10/-)	0.02	0.02
	- Kakud Post Harvest Pvt ltd 10 shares of Rs.10/- each, Fully paid up (PY-10 shares of Rs.10/-)	0.00	0.00

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INR In Lakhs

2.9 NON CURRENT INVESTMENTS	**As at March 31, 2025**	**As at March 31, 2024**
-KotumbDigital Empowerment & Careers Pvt Ltd 20000 shares of Rs.1/- each, Fully paid up (PY-20000 shares of Rs.1/-)	0.20	0.20
- Lifetrons Inno Equipment's Private Limited 20 shares of Rs.100/- each, Fully paid up (PY - 20 shares of Rs.100/- each)	0.02	0.02
- LMGK Agro Products Pvt Ltd 20 shares of Rs.100/- each, Fully paid up (PY - 20 shares of Rs.100/- each)	0.02	0.02
- Nautilus Hearing Solutions Private Limited 200 shares of Rs.10/- each, Fully paid up (PY- 200 shares of Rs.10/- each)	0.02	0.02
- Nebeskie Labs Private Limited 200 shares of Rs.10/- each, Fully paid up (PY- 200 shares of Rs.10/- each)	0.02	0.02
-Nextndco Innovation Pvt Ltd 20 shares of Rs.10/- each, Fully paid up (PY-20 shares of Rs.10/-)	0.00	0.00
-Nturing Tech Pvt Ltd 10 shares of Rs.10/- each, Fully paid up (PY-10 shares of Rs.10/-)	0.00	0.00
- Oscillo Machines Private Limited 40 shares of Rs.10/- each, Fully paid up (PY - 40 Share of Rs.10/- each)	0.00	0.00
- Pequrel Microelectronics Private Limited 100 shares of Rs.10/- each, Fully paid up (PY - 100 shares of Rs.10/- each)	0.01	0.01
- Prakriya Entrepreneurs Private Limited 200 shares of Rs.10/- each, Fully paid up (PY - 200 shares of Rs.10/- each)	0.02	0.02
- Printalytix Pvt Ltd 400 shares of Rs.10/- each, Fully paid up (PY-400 shares of Rs.10/-)	0.04	0.04
- Rapture Innovation Labs Pvt Ltd 217 shares of Rs.10/- each, Fully paid up (PY-217 shares of Rs.10/-)	0.02	0.02
- Shopgro India Private Limited 200 shares of Rs.10/- each, Fully paid up (PY- 200 shares of Rs.10/- each)	0.02	0.02
-Skyfire Aplied Intelligence Pvt Ltd 208 shares of Rs.10/- each, Fully paid up (PY-208 shares of Rs.10/-)	0.02	0.02
-Sparcolife Digital Helathcare Technologies Pvt Ltd 1000 shares of Rs.10/- each, Fully paid up (PY-1000 shares of Rs.10/-)	0.10	0.10

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INR In Lakhs

2.9 NON CURRENT INVESTMENTS	As at March 31, 2025	As at March 31, 2024
Symgrow Technologies Pvt Ltd 20 shares of Rs.10/- each, Fully paid up (PY-20 shares of Rs.10/-)	0.00	0.00
- Tattvalabs Private Limited 600 shares of Rs.10/- each, Fully paid up (PY- 600 shares of Rs. 10/- each)	0.06	0.06
- Transil Technologies Pvt Ltd 200 shares of Rs.10/- each, Fully paid up (PY- 200 shares of Rs. 10/- each)	0.02	0.02
- Transity Digital Solution pvt Ltd 1000 shares of Rs.10/- each, Fully paid up (PY- 1000 shares of Rs. 10/- each)	0.10	0.10
- Adaptive Agritech Solutions Pvt Ltd 200 shares of Rs.10/- each, Fully paid up (PY- 200 shares of Rs. 10/- each)	0.02	0.02
Inv: Uyiriyal Biotech Private Limited 20 shares of Rs.10/- each, Fully paid up (PY-Nil))	0.00	
- Gowma Non Leather Private Limited 200 shares of Rs.10/- each, Fully paid up (PY - 200 shares of Rs.10/- each)	0.02	0.02
- Artstreet International Solution Private Limited 200 shares of Rs.10/- each, Fully paid up (PY - 200 shares of Rs.10/- each)	0.02	0.02
- Safehands 24x7 Services Private Limited 200 unquoted shares of Rs.10/- each, Fully paid up (PY- 200 shares of Rs.10/- each)	0.02	0.02
- Phovoezolar Energy Private Limited (During the year the company has sold 200 equity shares at a premium of Rs 4248 per share. The profit on sale of such investment has been recognised in the statement of Income and Expenditure. *Refer note no 2.16*)	-	0.02
- R2 PRO PRIVATE LIMITED 771 shares of Rs.10/- each, Fully paid up (PY - 771 shares of Rs.10/- each)	0.08	0.08
- Wide Mobility Mechatronic Private Limited 360 shares of Rs.10/- each, Fully paid up (PY - 360 shares of Rs.10/- each)	0.04	0.04
- Inv : Fluxgen Sustainable Technologies Pvt Ltd 200 shares of Rs.10/- each, Fully paid up (PY- 200 shares of Rs.10- each)	0.02	0.02
- Inv : Kshira Dhaare Farms Pvt Ltd 200 shares of Rs.10/- each, Fully paid up (PY- 200 shares of Rs.10- each)	0.02	0.02
-Inv : Vendosmart Tech Pvt Ltd 3279 shares of Rs.10/- each, Fully paid up (PY- 3279 shares of Rs.10/- each)	0.33	0.33

FOUNDATION FOR SANDBOXSTARTUP INITIATIVES

FOUNDATION FOR SANDBOX STARTUP INITIATIVES
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2 NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2025

INR In Lakhs

2.9 NON CURRENT INVESTMENTS	As at March 31, 2025	As at March 31, 2024
- Ekathva Innovations Pvt Ltd 300 shares of Rs.10/- each, Fully paid up (PY- 300 shares of Rs.10/- each)	0.03	0.03
- Fala Tech Pvt Ltd 20 shares of Rs.10/- each, Fully paid up (PY- 20 shares of Rs.10/- each)	0.00	0.00
- Fluxgen Engg Tech Pvt Ltd 211 shares of Rs.10/- each, Fully paid up (PY- 211 shares of Rs.10/- each)	0.02	0.02
- Prakrta Consumer Products Pvt Ltd 200 shares of Rs.10/- each, Fully paid up (PY- 200 shares of Rs.10/- each)	0.02	0.02
- Suryanirbhar Technology Pvt Ltd 20 shares of Rs.10/- each, Fully paid up (PY- 20 shares of Rs.10/- each)	0.00	0.00
- Vyanth Farm Equipments Pvt Ltd 200 shares of Rs.10/- each, Fully paid up (PY- 200 shares of Rs.10/- each)	0.02	0.02
- Wide Mobility Mechatronic Private Limited * 13137 shares of Rs.227/- each, Fully paid up (PY- 13137 shares of Rs.227/- each)	29.82	29.82
- Nautilus Hearing Solutions Private Limited * 1647 shares of Rs.6075/- each, Fully paid up (PY1647 shares of Rs.6075/- each)	100.06	100.06
- Nebeskie Labs Private Limited * 1235 shares of Rs.2430/- each, Fully paid up (PY- 1235 shares of Rs.2430/- each)	30.01	30.01
- Shopgro India Private Limited - NIDHI * 824 shares of Rs.6075/- each, Fully paid up (PY-412 shares of Rs.6075/- each)	50.06	50.06
- Electreps Private Limited * 1143 shares of Rs.8750/- each, Fully paid up (PY-1143 shares of Rs.8750/- each)	100.01	100.01
- Fala Tech Private Limited * 2394 shares of Rs.1044.5/- each, Fully paid up (PY-2394 shares of Rs.1044.5/- each, Fully paid up)	25.01	25.01
- AriTech Innovations pvt ltd 13195 shares of Rs.714.29/- each, Fully paid up (PY- 4900 shares of Rs.714.29/- each, Fully paid up)	94.25	94.25
- Rapture Innovations Lab Ptv .Ltd 851 shares of Rs.5876.5/- each, Fully paid up and 459 shares of 10,877.70/- each fully paid. (PY-851 shares of Rs.5876.5/- each, Fully paid up)	99.94	99.94

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2 NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2025

INR In Lakhs

2.9 NON CURRENT INVESTMENTS	As at March 31, 2025	As at March 31, 2024
(b) *Investments in preference shares (Unquoted)*		
- Wide Mobility Mechatronic Private Limited * 2503 shares of Rs.1000/- each, Fully paid up (PY- 2503 shares of Rs.1000/- each)	25.03	25.03
TOTAL	**555.88**	**555.90**
i) Aggregate amount of quoted investments and market value thereof		-
ii) Aggregate amount of unquoted investments	555.88	555.90
iii) Aggregate provision for diminution in value of investments.	237.57	175.05
Direct investment #	1.70	1.72
Out of Grant received from NIDHI - SSS Scheme *	554.18	554.18

Direct Investment represent the Investments in incubatee Entities, in terms of the Incubation Arrangement with respective incubatees.

* With reference to the Investment under NIDHI SSS Scheme, the said investments are out of the Grants received from DST under NIDHI - SSS Scheme. Also refer Note No.2 (d) above.

2.10 NON CURRENT ASSETS	As at March 31, 2025	As at March 31, 2024
Balances with government authorities	0.79	6.68
TOTAL	**0.79**	**6.68**

2.11 TRADE RECEIVABLES	As at March 31, 2025	As at March 31, 2024
(a) Secured, considered good	-	-
(b) Unsecured, considered good	40.75	38.67
(c) Doubtful	12.67	11.24
Less: Provision for Doubtful Debts	(12.67)	(11.24)
	40.75	**38.67**

For ageing related disclosures refer Note 2.11

FOUNDATION FOR SANDBOX STARTUP INITIATIVES

FOUNDATION FOR SANDBOX STARTUP INITIATIVES
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2 NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2025

INR In Lakhs

2.12 CASH AND BANK BALANCES	**As at March 31, 2025**	**As at March 31, 2024**
Cash in hand		
Balances with banks:		
- in current accounts	3.61	1.71
- in savings accounts	836.16	675.89
Other Bank Balances:		
- in Deposit Accounts Under lien with Banks - (Less than 12 months) *	2.92	302.94
TOTAL	**842.69**	**980.54**

2.13 SHORT-TERM LOANS AND ADVANCES	**As at March 31, 2025**	**As at March 31, 2024**
Startup India Seed Fund Loans	70.00	-
Other Loans	20.28	21.00
Sub Total	**90.28**	**21.00**
Less: Provision for Doubtful Loans	-	-
TOTAL	**90.28**	**21.00**

2.14 OTHER CURRENT ASSETS	**As at March 31, 2025**	**As at March 31, 2024**
Unsecured and considered good		
Prepaid expense	7.33	13.15
Accrued interest	1.46	5.56
Interest Accrued but not Due	3.28	-
Interest Accrued but Due	1.71	-
Advance to suppliers	0.92	0.33
CD Balance	4.92	1.28
Rent Security Deposit	0.48	0.68
Balances with government authorities	8.56	6.19
Credit Card	0.20	-
Prepaid Card	0.17	0.02
TOTAL	**29.03**	**27.21**

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2 NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2025

INR In Lakhs

	2.15 INCOME FROM OPERATIONS	Year Ended March 31, 2025	Year Ended March 31, 2024

Company is a Section 8 Company, formed for mainly to set up and undertaking running and maintenance of Incubation Centre, Provide Support Services and undertaking Entrepreneurship development programs. Further, being a Section 8 Company, Company also receives Grants/Donations/Contributions etc., from various Government and Non-Government agencies to support all the activities of the Company. The details of Income derived from these operations are as follows:

		Year Ended March 31, 2025	Year Ended March 31, 2024
a.	Revenue From Incubation & Entrepreneurship Development activities	146.88	152.49
b.	Grant from Supporting Agencies *	242.95	457.63
	TOTAL	**389.83**	**610.12**

*Grants are meant to be used for the objects for which the Company is established and hence treated as Operating Income.

	2.16 OTHER INCOME	Year Ended March 31, 2025	Year Ended March 31, 2024
	Interest income	38.29	30.20
	Interest on income tax refund	0.66	-
	Profit on Sale of Investment	8.50	-
	Others	0.40	7.75
	TOTAL	**47.85**	**37.95**

	2.17 EMPLOYEE COST & BENEFITS	Year Ended March 31, 2025	Year Ended March 31, 2024
	Salaries and wages	263.80	286.52
	Contribution to provident fund and others	8.99	13.78
	Gratuity	5.91	-
	Compensated absence	5.01	1.54
	Staff welfare expenses	0.85	0.35
	Variable Pay	6.94	2.97
	Staff Medical Insurance	9.72	14.51
	TOTAL	**301.22**	**319.67**

	2.18 FINANCE COST	Year Ended March 31, 2025	Year Ended March 31, 2024
	Interest On Overdraft	14.31	3.93
	TOTAL	**14.31**	**3.93**

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FOUNDATION FOR SANDBOX STARTUP INITIATIVES

2 NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2025

INR In Lakhs

2.19 OTHER EXPENSES	Year Ended March 31, 2025	Year Ended March 31, 2024
Office & Other Utility Expenses	105.89	119.85
Professional Charges	67.25	137.03
Impairment of Investment	62.52	75.02
Networking & Training Program	40.89	97.02
Repairs and Maintenance		
-Building	16.37	7.16
-General	12.66	15.24
-Electrical	3.94	2.75
-Computers	0.27	0.34
Lab Consumables	4.89	5.05
Travelling Expenses	13.32	11.91
Subscription for Software Services	4.88	5.25
Lease and Rentals	2.29	9.10
Auditors' Remuneration	2.27	2.24
Printing & Stationery	0.63	8.08
Telephone, Postage & Courier	0.61	0.73
Bank charges	0.29	0.33
MED Program Expenses	0.21	4.59
Miscellaneous expense	0.03	0.09
Rates & Taxes - Renewals & Fees	0.03	0.12
Balances written off	-	0.07
Doubtful debts	1.76	5.67
Food Cluster Program Expenses	-	1.82
Donation	-	0.45
Prior Period Expenses	-	0.07
TOTAL	**340.99**	**509.97**

2.20 The Statutory Auditors' remuneration includes the following:	Year Ended March 31, 2025	Year Ended March 31, 2024
(i) For Statutory audit	1.20	1.20
(ii) For Certification	0.27	0.26
(iii) Income tax matter	0.80	0.78
TOTAL	**2.27**	**2.24**

2 NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2025

INR In Lakhs

2.21	EARNINGS PER SHARE	Year Ended March 31, 2025	Year Ended March 31, 2024
	Surplus/ (Deficit)After Tax attributable to Equity Shareholders (INR in Lacs)	(229.16)	(192.39)
	Weighted Average Number of Equity Shares in calculating Basic/Diluted	1,000.00	1,000.00
	Nominal Value per share (INR)	100.00	100.00
	Basic/Diluted Earnings per share (INR)	(22,916.37)	(19,238.89)

OTHER NOTES TO AND FORMING PART OF ACCOUNTS

2.22	CONTINGENT LIABILITIES	As at March 31, 2025	As at March 31, 2024
a	Claims against the Company not acknowledged as debt	-	-
b	Bank Guarantees	-	-
c	Letter of Credits	-	-

Earnings and Expenditure in Foreign Currency	Year Ended March 31, 2025	Year Ended March 31, 2024
Earning in Foreign Currency	-	-
Expenditure in Foreign Currency - Capital Expenditure	-	-

2.23 Employee benefits

The company has defined gratuity plan. Every employee who has completed 5 years or more is eligible for gratuity on separation, worked out at as per payment of Gratuity Act, 1972 & The company has adopted Leave Encashment Policy as per the policy allowing the employees, the benefit of carrying forward of accrued paid leaves to the maximum of 45 days over the period of their employment.

The following table set out the status of the **"gratuity plan"**, as required under AS-15.

Movements in accrued liability	As at 31 March 2025	As at 31 March 2024
Accrued liability as at beginning of the period	15.48	26.17
Interest cost	0.86	1.76
Current service cost	2.76	3.57
Benefits paid	(7.30)	(4.76)
Actuarial (gain) / loss	3.09	(11.26)
Past service cost in total (recognised & unrecognised)	-	-
Accrued liability as at the end of the year	**14.88**	**15.48**

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2 NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2025

INR In Lakhs

Amounts to be recognized in the Balance sheet	**As at 31 March 2025**	**As at 31 March 2024**
Present value of obligations as on the accounting date	14.88	15.48
Present value of funded obligations as on the accounting date	(10.70)	(13.74)
Fair value of the plan assets -zero as no fund is being maintained	-	-
Unrecognised past service cost	-	-
Liability/(Asset) to be recognized in the Balance Sheet	**4.19**	**1.73**
Bifurcation of Current & Non-current on		
Current	3.27	1.73
Non-Current	0.91	-
Total Liability	**4.19**	**1.73**

Expenses to be recognized in statement of Income and Expenditure	**For the Year Ended 31 March 2025**	**For the Year Ended 31 March 2024**
Interest cost	0.86	1.76
Current service cost	2.76	3.57
Recognised past service cost vested	-	-
Recognised past service cost unvested	-	-
Net actuarial (gain) / loss	3.15	(11.46)
Expected return on plan assets	(0.85)	(0.83)
Net expenses to be recognized in statement of Income and Expenditure	**5.91**	**(6.96)**

Reconciliation	**As at 31 March 2025**	**As at 31 March 2024**
Net liability as at the beginning of the year	(1.73)	(16.49)
Net expenses in statement of profit and loss	(5.90)	6.96
Employer contribution	3.45	7.79
Benefits paid	-	-
Net liability/(Asset) as at the end of the year	**(4.18)**	**(1.73)**

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2 NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2025

INR In Lakhs

Principal actuarial assumptions	As at 31 March 2025	As at 31 March 2024
Discount rate	6.86%	7.23%
Expected rate of return on assets	7.23%	7.38%
Withdrawal /Attrition rate	7.00%	7.00%
Salary escalation	5.00%	5.00%
Mortality Rate as per	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Disability Rate (as % of above mortality rate)	5%	5%
Retirement age	58	58

The valuation has been carried using Project Unit Credit Method

The Following Table Set Out The Status Of The **Compensated absence Scheme** As Required Under AS-15.

Movements in accrued liability	As at 31 March 2025	As at 31 March 2024
Accrued liability as at beginning of the period	5.72	6.42
Interest cost	-	-
Current service cost	5.01	1.53
Benefits paid	(5.93)	(2.23)
Actuarial (gain) / loss		
Past service cost in total (recognised & unrecognised)	-	-
Acquisition/Divesture/Transfers	-	-
Accrued liability as at the end of the year	4.79	5.72

Amounts to be recognized in the Balance sheet	As at 31 March 2025	As at 31 March 2024
Present value of obligations as on the accounting date	-	-
Present value of funded obligations as on the accounting date	4.79	5.72
Fair value of the plan assets -zero as no fund is being maintained	-	-
Unrecognised past service cost	-	-
Liability/(Asset) to be recognized in the Balance Sheet	4.79	5.72
Current	0.75	0.65
Non current	4.04	5.07

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FOUNDATION FOR SANDBOX STARTUP INITIATIVES

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2 NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2025

INR In Lakhs

Expenses to be recognized in statement of Income and Expenditure	**For the Year Ended 31 March 2025**	**For the Year Ended 31 March 2024**
Present Value of Defined Benefits Obligation At Beginning (Opening)	5.72	6.42
Present Value of Defined Benefits Obligation At Beginning (Closing)	4.79	5.72
Net Increase in Liability over the valuation period	(0.93)	(0.70)
Benefit payments from employer	(5.93)	(2.23)
Benefits Pay-outs from plan	-	-
Cost of Termination		
Benefits/Acquisitions/Transfers	-	-
less actual return on Plan assets	-	-
	-	-
Net expenses to be recognized in statement of Income and Expenditure	**5.01**	**1.53**

Reconciliation	**As at 31 March 2025**	**As at 31 March 2024**
Net liability as at the beginning of the year	5.72	6.42
Net expenses in statement of profit and loss	5.01	1.53
Employer contribution	-	-
Benefits paid	(5.93)	(2.23)
Acquisition/Divesture/Transfers	-	-
Net liability/(Asset) as at the end of the year	**4.79**	**5.72**

Principal actuarial assumptions	**As at 31 March 2025**	**As at 31 March 2024**
Discount rate	6.86%	7.23%
Expected rate of return on assets	0.00%	0.00%
Withdrawal /Attrition rate	7.00%	7.00%
Salary escalation	7.00%	7.00%
Mortality Rate as per table	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Disability Rate (as % of above mortality rate)	5%	5%
Retirement age	58	58
The valuation has been carried using Project Unit Credit Method		

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2 NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2025

INR In Lakhs

2.24 Related Party Disclosures

A)	List of related parties:		
i	Enterprise having significant influence /control over the Company:–	NIL	NIL
ii	Subsidiaries	NIL	NIL
iii	Fellow Subsidiaries (with whom the Company had transactions): -	NIL	NIL
iv	Affiliate of related parties (With whom the Company had transactions):	NII	NIL

v	Key Management Personnel :	Ramanathan Narayanan	Director
		Geereddy Reddy	Director
		Rachit Parekh	Director
		Manish Kumar Jaiswal	Additional Director and CEO (Appointed on 01-09-2024)

* Mr.Karthik Sankaran resigned as a CEO and Director of the company on 31st Aug, 2024. Mr. Manish Kumar Jaiswal took over the role, immediately thereafter.

vi **Relative of a director:**

The Company has entered into leave and licence agreement with **Mr. Geereddy Yeshwanth Reddy**, who is the **brother of a Director of the Company**, for temprorary use of an immovable property. The agreement is valid for a period of **11 months commencing from September 1, 2024, to July 31, 2025**, at a monthly rent of **₹29,500**. The transaction was approved by the **Board of Directors on August 31, 2024**, and has been carried out at an **arm's length basis**.

B) **Statement of material transactions during the year**

	Particulars	As at 31 March 2025	As at 31 March 2024
i	Enterprise having significant influence /control over the Company	Nil	Nil
ii	Subsidiaries	Nil	Nil
iii	Fellow Subsidiaries (with whom the Company had transactions): -	Nil	Nil
iv	Affiliate of related parties (With whom the Company had transactions):		
	Remuneration To Whole Time Directors/Chief Executive Officer		
	Managerial Remuneration:		
	- Karthik Sanakarn-Director & CEO	Rs 13.93 Lacs (PY 26.32 Lacs)	
	- Manish Kumar Jaiswal- Addl.Director & CEO	Rs 19.30 Lacs (PY Nil)	

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NOTE : 2.8 PROPERTY, PLANT AND EQUIPMENT :

INR in Lakhs

Sr. No.	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As At 01-04-2024	Additions during the year	Deductions/ Adjustments during the year	As At 31-03-2025	As At 01-04-2024	Deletion	Provided for the Year	As At 31-03-2025	As At 31-03-2025	As At 31-03-2024
A	Tangible										
1	COMPUTERS, SERVERS & ACCESSORIES	43.73	25.90	-	69.63	39.54	-	6.50	46.04	23.60	4.19
2	OFFICE EQUIPMENT	36.54	1.75	-	38.29	19.06	-	4.20	23.25	15.04	17.49
3	PLANT AND MACHINERY	90.82	-	-	90.82	36.86	-	5.46	42.32	48.50	53.97
4	FURNITURE & FIXTURES	4.87	-	-	4.87	0.63	-	0.46	1.09	3.78	4.24
5	ESDM FACILITIES	356.13	7.93	-	364.06	136.15	-	23.85	160.00	204.06	219.98
6	NIDHI PRAYAS : FAB LAB	87.06	-	-	87.06	17.70	-	8.29	25.99	61.07	69.36
	Total (A)	619.15	35.58	-	654.74	249.93	-	48.76	298.69	356.05	369.23
B	Intangible										
1	SOFTWARE & INTANGIBLE ASSETS	9.18	-	-	9.18	9.18	-	-	9.18	-	-
	Total (B)	9.18	-	-	9.18	9.18	-	-	9.18	-	-
	Grand Total	628.34	35.58	-	663.92	259.11	-	48.76	307.87	356.05	369.23
	Previous Year	616.94	13.10	1.70	628.34	213.48	1.62	47.24	259.11	369.23	401.76

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Trade payables ageing schedule as at 31.03.2025

INR in Lakhs

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	
(i) MSME					
(ii) Others	2.35	-	-	-	2.35
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-
Total	**2.35**	**-**	**-**	**-**	**2.35**

Trade payables ageing schedule as at 31.03.2024

INR in Lakhs

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	
(i) MSME					
(ii) Others	11.36	-	-	-	11.36
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-
Total	**11.36**	**-**	**-**	**-**	**11.36**

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Trade receivables ageing schedule as at 31.03.2025

INR in Lakhs

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	
(i) Undisputed Trade receivables – considered good	20.90	4.64	12.14	3.08		40.75
(ii) Undisputed Trade Receivables – considered doubtful		0.07	0.85	5.93	5.82	12.67
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
considered doubtful	-	-	-	-	-	-
Total	**20.90**	**4.71**	**12.98**	**9.01**	**5.82**	**53.42**

Trade receivables ageing schedule as at 31.03.2024

INR in Lakhs

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	
(i) Undisputed Trade receivables – considered good	27.39	4.55	4.77	1.95	0.00	38.67
(ii) Undisputed Trade Receivables – considered doubtful	0.75	0.34	6.02	4.09	0.05	11.24
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
Total	**28.14**	**4.89**	**10.79**	**6.04**	**0.05**	**49.90**

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2 NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2025

2.27 Additional Regulatory Requirements - Ratio Analysis

Ratio	Numerator	Denominator	Current Period	Previous Period	% of variance	Reason for variance of 25% or more
Current Ratio	Current Assets	Current Liabilities	1182%	396%	198%	Increase in bank balance and decrease in current liabilities compared to the previous year led to an improvement in the current ratio.
Debt Equity Ratio	Total debt	Total shareholder's equity.	NA	NA	NA	As the company has no debt on its balance sheet and operates as a debt-free company, the ratio is not applicable."
Debt service coverage ratio	Net Profit + Depreciation + Interest on long term loans	Total amount of interest & principal of long term loan payable or paid during the year.	NA	NA	NA	As the company has no debt on its balance sheet and operates as a debt-free company, the ratio is not applicable."
Return on equity Ratio	Net income	Average shareholder's equity.	-14%	-12%	16%	No significant variation

FOUNDATION FOR SANDBOXSTARTUP INITIATIVES

CIN:U74999KA2016NPL092977

Regd. Office: Next to International Airport, Gokul Road Opp to Gokul Village Hubballi Dharwad KA 580030

2 NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2025

2.27 Additional Regulatory Requirements - Ratio Analysis

Ratio	Numerator	Denominator	Current Period	Previous Period	% of variance	Reason for variance of 25% or more
Net Profit Ratio	Net Profit	Revenue	-48%	-28%	72%	Compared to the previous year, income has declined significantly, while expenses have remained relatively flat. This has resulted in a deterioration of profitability
Return on capital Employed	EBIT	Capital Employed	-14%	-12%	16%	No significant variation
Return on Investments	Return on Investment	Cost of Investment	2%	0%	100%	The variation is due to the sale of 200 equity shares during the year at a premium of ₹4,248 per share, resulting in a profit. No such transaction occurred in the previous year.

2 NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2025

2.27 Additional Regulatory Requirements - Ratio Analysis

Ratio	Numerator	Denominator	Current Period	Previous Period	% of variance	Reason for variance of 25% or more
Inventory Turnover ratio	COGS	Average Inventory	NA	NA	NA	The company is a Section 8 company engaged in supporting startups through service-based activities, does not engage in the production of physical goods. Accordingly, there is no inventory recorded in its books, and this ratio is not applicable
Trade Receivable Turnover Ratio	Net Credit Revenue	Annual Accounts Receivable	92%	109%	-15%	No significant variation
Trade Payable Turnover Ratio	Purchase	Annual Accounts Payables	NA	NA	NA	FSSI is working as a service industry, provides a service but does not produce anything and there is no Inventory in FSSI's books hence this ratio is NA .
Net capital Turnover Ratio	Total Revenue	Net Working Capital	-42%	-76%	-44%	The decrease in the ratio compared to the previous year is primarily due to a higher bank balance

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2 NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2025

INR In Lakhs

2.25 Disclosure under Micro, Small and Medium Enterprises Development Act (MSMED) 2006

Particulars	As at 31 March 2025	As at 31 March 2024
- The principal amount and the interest due thereon remaining unpaid to any	Nil	Nil
- The amount of interest paid by the Company along with the amounts of the	Nil	Nil
- The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	Nil	Nil
- The amount of interest accrued and remaining unpaid at the end of the year	Nil	Nil
- The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	Nil	Nil

2.26 Impairment of Investments

During the FY 22-23 company has conducted Impairment test on Investments and identified that Investments in "Freshboxx Services Pvt Ltd " and "Microchip Payments Private Limited" have completely stopped operations. Hence Investment Committee has approved to write off the value of Rs 70.12 Lakhs of such Investment in books. The committe had conducted the impairment test on Investments during the FY 2023-24 and identfied that a provision for imapirment is made to the extent of 75 % in Nautilus Hearing Pvt Ltd and 50% ElectReps Pvt Ltd. Further The committe has conducted the impairment test on Investments during the FY 2024-25 and identified that a provision for impairment to increased to 100 % in Nautilus Hearing Pvt Ltd and 75% in ElectReps Pvt Ltd and a provision to the extent of 50% in Fala Tech Pvt Ltd.

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2 NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2025

INR In Lakhs

2.27 The additional information and other regulatory disclosures called for by Schedule III in the form of notes to Balance Sheet and Statement of Profit and Loss, if not expressly mentioned elsewhere, is either NIL or Not Applicable to the company.

2.28 The Company has used accounting softwares for maintaining its books of account, which have a feature of recording audit-trail (edit-log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares. Further, for the periods where audit trail (edit-log) facility was enabled and operated for the respective accounting softwares, we did not come across any instance of the audit trail feature being tampered with. Further the audit trail has been preserved as per the statutory requirement for record retention.

2.29 The previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification. Further, disclosures are amended wherever necessary, in line with the amendments in Schedule III vide Notification dated March 24, 2021.

2.30 i) We represent that, to the best of our 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.

ii) We represent, that, to the best of our 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.

for **SURESH & CO.**
Chartered Accountants
Firm Registration No : 004255S

Udupi Vikram
Partner
Membership No : 227984
Bengaluru
September 03, 2025

For and on behalf of Board of

FOUNDATION FOR SANDBOXSTARTUP INITIATIVES

Ramnathan Narayanan
Director
DIN: 01745689
Bengaluru
September 03, 2025

Manish Kumar Jaiswal
CEO & Additional Director
DIN: 10752173
Hubballi
September 03, 2025