

Navneet Futuretech Limited
(Formerly known as Esense Learning Limited)

Balance Sheet as at 31st March 2024

CIN: U72200MH2008PLC181531

(Amount in Rs.)

	Particulars	Note	As at 31st March 2024	As at 31st March 2023
I	ASSETS			
	Non current assets			
	(a) Property, Plant and Equipment	3	170,581	6,173,817
	(b) Intangible assets	4	-	200,109,385
	(c) Intangible assets under development	5	-	41,631,537
	(d) Financial Assets			
	(i) Investments	6	874,883,677	1,703,712,405
	(e) Assets for non-current tax (net)	7	-	11,838,211
	(f) Other non-current assets	8	-	5,105,231
	Total non-current Assets		875,054,258	1,968,570,586
	Current assets			
	(a) Inventories	9	234,614	5,374,117
	(b) Financial Assets			
	(i) Trade receivables	10	-	11,073,725
	(ii) Cash and cash equivalents	11	121,887	210,562
	(iii) Other bank balances	12	-	1,860,566
	(iv) Loans and advances	13	170,999,245	199,307
	(v) Other financial assets	14	151,051	5,282,297
	(c) Other current assets	15	32,018,325	53,118,531
	Total current Assets		203,525,122	77,119,105
	TOTAL ASSETS		1,078,579,380	2,045,689,691
II	EQUITY AND LIABILITIES			
	Equity			
	(a) Equity Share capital	16	1,535,287,840	2,588,835,000
	(b) Other equity	17	(463,883,644)	(824,117,689)
	Total equity		1,071,404,196	1,764,717,311
	LIABILITIES			
	Non-Current liabilities			
	(a) Financial Liabilities			
	(i) Deferred Tax Liability (net)	18	-	49,876,853
	(b) Provisions	19	408,787	10,009,861
	(c) Other non-current liabilities	20	-	27,279,462
	Total non-current liabilities		408,787	87,166,176
	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	20	-	59,618,692
	(ii) Trade payables	21		
	- Amount due of micro and small enterprises		-	4,710,919
	- Amount due of others		6,241,727	33,307,772
	(iii) Other financial liabilities	22	-	51,049,206
	(b) Other current liabilities	23	406,419	39,114,025
	(c) Provisions	24	118,251	6,005,590
	Total current liabilities		6,766,397	193,806,204
	TOTAL EQUITY AND LIABILITIES		1,078,579,380	2,045,689,691

The accompanying notes form an integral part of the financial statements.

As per our report of even date attached hereto

For & On behalf of the Board of
Navneet Futuretech Limited
(Formerly known as Esense Learning Limited)

For N. A. Shah Associates LLP

Chartered Accountants
Firm Registration Number - 116560W / W100149

Gnanesh Gala
Managing Director
DIN: 00093008

Anil Gala
Director
DIN: 00092952

Place: Mumbai
Date: 21st May 2024

Place: Mumbai
Date: 21st May 2024

Milan Mody

Partner
Membership Number: 103286

Place: Mumbai
Date: 21st May 2024

Chetan S Lad
Company Secretary
Membership Number: A62414

Place: Mumbai
Date: 21st May 2024

Kalpesh Dedhia
Chief Financial Officer

Place: Mumbai
Date: 21st May 2024

(Amount in Rs.)

Particulars		Note No.	As at 31st March 2024	As at 31st March 2023
I	Revenue from operations	25	36,978,622	161,398,586
II	Other Income	26	-	2,465,114
III	Total Income (I + II)		36,978,622	163,863,700
IV	Expenses			
	Employee benefits expense	27	2,747,297	283,401,087
	Materials consumed for rendering services	28	566,616	66,185
	Purchase of stock-in-trade		29,214,211	18,889,262
	Changes in inventories of materials & stock-in-trade	29	1,420,875	(2,659,406)
	Finance costs	30	-	10,179,602
	Depreciation and amortization expense	31	128,365	143,673,728
	Other expenses	32	1,288,070	188,768,816
IV	Total expenses		35,365,434	642,319,274
V	Loss before tax (III - IV)		1,613,188	(478,455,574)
VI	Tax expense:	42		
	Current Tax		-	-
	Deferred Tax		-	-
VII	Loss for the year (V - VI)		1,613,188	(478,455,574)
VIII	Other comprehensive income:			
a)	Items that will not be reclassified to profit or loss in subsequent year			
i)	Remeasurement of net Defined Benefit Plan		36,338	7,905,000
	Less: Income tax relating to the above		-	-
ii)	Equity instruments through Other Comprehensive Income		(542,543,820)	428,201,000
	Less: Income tax relating to the above (Refer note 18)		49,876,853	(49,876,853)
b)	Items that will be reclassified to profit or loss in subsequent year		-	-
	Less: Income tax relating to the above		-	-
VIII	Other comprehensive income for the year, net of tax		(492,630,629)	386,229,147
IX	Total Comprehensive deficit for the year (VII + VIII) (Total of loss and other comprehensive income for the year)		(491,017,441)	(92,226,427)
	Earnings per equity share of Rs. 10/- each (Also refer note 36.2)	36		
	(1) Basic		0.01	(3.11)
	(2) Diluted		0.01	(3.11)

The accompanying notes form an integral part of the financial statements.

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Chetan S Lad
Company Secretary
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Kalpesh Dedhia
Chief Financial Officer

Place: Mumbai
Date: 21st May 2024

Place: Mumbai
Date: 21st May 2024

(Amount in Rs.)

Particulars		As at 31st March 2024	As at 31st March 2023
A	CASH FLOW FROM OPERATING ACTIVITIES		
	(Loss) before Tax	1,613,188	(478,455,574)
	Adjustments for :		
	Depreciation and amortization expenses	128,365	143,673,728
	(Profit) / Loss on sale of property, plant and equipment	-	(46,634,066)
	Interest Income	-	(1,442,806)
	Bad debts written off	-	15,169,266
	Reversal of Allowance for bad and doubtful debts	-	(9,323,346)
	Unbilled Revenue	-	(2,729,546)
	Finance Cost	-	10,179,602
	Operating Profit before working capital changes:	1,741,553	(369,562,742)
	Trade and other receivable	-	14,330,260
	Inventories	1,420,876	(2,668,690)
	Loans and advances and other bank balances	(162,135,269)	(45,483,589)
	Trade and other Payable	(1,115,835)	87,608,442
	Cash Generated from Operations	(160,088,675)	(315,776,319)
	Income Tax received (i.e. TDS deducted by customers)	-	(1,905,330)
	Net Cash inflow / (outflow) from / to operating activities	(160,088,675)	(317,681,649)
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of property, plant and equipment, change in capital work-in-progress and intangible assets under development	-	(290,908,574)
	Sale of property, plant and equipment and intangible assets	-	54,180,820
	Interest income	-	1,442,806
	Loan / advances given to subsidiary	-	(50,000,000)
	Loan received back from subsidiary	-	50,000,000
	Payment for investment in subsidiary Company	-	(227,711,341)
	Payment for purchase of investment in associate company	-	(186,724,147)
	Payment for purchase of other investments	-	(427,502,350)
	Net Cash (outflow) to investing activities	-	(1,077,222,786)
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Redemption of optionally convertible preference shares	-	(667,500,000)
	Proceeds from issue of equity share capital	160,000,000	2,352,500,000
	Working capital loan taken	-	1,400,000,000
	Working capital loan repaid	-	(1,430,000,000)
	Loan taken from holding company	-	110,000,000
	Loan repaid to holding company	-	(357,192,775)
	Expenses towards increase in authorised capital	-	(20,369,000)
	Interest paid	-	(10,179,602)
	Net Cash inflow from financial activities	160,000,000	1,377,258,623
	Net increase / (decrease) in Cash and Cash Equivalents [A+B+C]	(88,675)	(17,645,813)
	Cash and Cash Equivalents as at the beginning of the year	210,562	(1,762,317)
	Cash and Cash Equivalents as at the end of the year	121,887	(19,408,130)
	Net increase / (decrease) as mentioned above	(88,675)	(17,645,813)

Notes:

- (a) The above cash flow statement has been prepared under Indirect Method set out in Ind AS 7 'Statement of Cash Flows'.
(b) For cash flow related notes refer Note 43.

As per our report of even date attached hereto

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(Formerly known as Esense Learning Limited)

For N. A. Shah Associates LLP

Chartered Accountants

Firm Registration Number - 116560W / W100149

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Managing Director
DIN: 00093008

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Director
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Place: Mumbai
Date: 21st May 2024

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Milan Mody

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Place: Mumbai
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Navneet Futuretech Limited

(Formerly known as Esense Learning Limited)

Notes on financial statements for the year ended 31st March 2024

CIN: U72200MH2008PLC181531

54 Scheme of arrangement

a) The Board of Directors at its meeting held on 31st August, 2023 approved the Composite Scheme of Arrangement ('Scheme'), for amalgamation of 'Genext Students Private Limited' ('GSPL') (Subsidiary) with Navneet Education Limited ('Holding Company') and the demerger of Edtech business of 'Navneet Futuretech Limited' ('NFL') (the Company) into the Holding Company on a going concern basis. The Mumbai Bench of the National Company Law Tribunal ('NCLT'), through its order dated 6th May 2024 has approved the scheme with the appointed date of the merger being 1st April 2023. A copy of the order was filed with the Registrar of Companies, on May 17, 2024 in accordance with the applicable provisions of the Companies Act 2013 and accordingly the Scheme became effective from 17th May, 2024, upon completion of necessary formalities. Accordingly, the current year figures are not comparable with the previous year figures.

b) Pursuant to the Scheme of Arrangement :

i) The difference, between the book value of the assets over the liabilities of the demerged division of the Company as mentioned in the table below, after adjusting the impact of reduction in Equity Share Capital by Rs. 1,21,35,47,160 and the intercompany adjustments have been recorded. Summary of relevant information has been given below:

(Amount in Rs.)	
Particulars	As on April 01, 2023
Non current Assets	262,799,586
Current Assets	35,979,350
Total Assets(A)	298,778,936
Non current Liabilities	36,919,035
Current Liabilities	185,849,134
Total Liabilities (B)	222,768,169
Identifiable Net Assets Acquired [(A-B)=C]	76,010,767
Reserves & Surplus	
Debit Balance in Retained Earnings-[D]	1,213,547,160

c) Pursuant to the scheme of arrangement, Subsidiary Company ('GSPL') has merged into the Holding Company ('NEL') of the Company and the carrying value of Investments in GSPL held by the Company, stand cancelled amounting to Rs. 28,62,84,908. This is debited to the retained earnings.

(A) Equity Share Capital

(Amount in Rs.)

Balance as at 31st March 2022	Changes in equity share capital during the year 2022-2023	Balance at 31st March 2023	Changes in equity share capital during	Balance as at 31st March 2024
236,335,000	2,352,500,000	2,588,835,000	(1,053,547,160)	1,535,287,840

(B) Other Equity

(Amount in Rs.)

Particulars	Equity component of compulsorily convertible debentures	Optionally Convertible Preference Shares [Refer note (b) below]	Reserves & Surplus		Other comprehensive income		Total other equity
			Debenture Premium	Retained Earnings	Remeasurement s of defined benefit plans	Equity instrument through OCI	
Balance as at 31st March 2022	2,175,530	667,500,000	474,734	(714,720,419)	550,069	-	(44,020,086)
Net loss for the year	-	-	-	(478,455,574)	-	-	(478,455,574)
Redemption of convertible preference shares	-	(667,500,000)	-	-	-	-	(667,500,000)
Interest accrued on CCD (classified under equity)	-	-	-	(2,176)	-	-	(2,176)
Conversion of Debenture into Equity	-	-	-	-	-	-	-
Issue of Compulsorily Convertible Debentures	-	-	-	-	-	-	-
Expenses for increase in authorised capital	-	-	-	(20,369,000)	-	-	(20,369,000)
Re-measurement of the net defined benefit plan	-	-	-	-	7,905,000	378,324,147	386,229,147
Balance as at 31st March 2023	2,175,530	-	474,734	(1,213,547,169)	8,455,069	378,324,147	(824,117,689)
Adjustment of merger of subsidiary with holding company pursuant to the scheme of arrangement (Refer note 54)	-	-	-	(286,284,908)	-	-	(286,284,908)
Loss pertaining to demerged undertaking transferred pursuant to the scheme of arrangement (Refer note 54)	-	-	-	(68,185,825)	(7,824,941)	-	(76,010,766)
Capital reduction pursuant to the scheme of arrangement (Refer note 54)	-	-	-	1,213,547,160	-	-	1,213,547,160
Net profit / (loss) for the year ended March 24	-	-	-	1,613,188	-	-	1,613,188
Re-measurement of the net defined benefit plan	-	-	-	-	36,338	(492,666,967)	(492,630,629)
Balance as on 31st Mar 2024	2,175,530	-	474,734	(352,857,554)	666,466	(114,342,820)	(463,883,644)

Notes:

- (a) During the current year, 2,17,553 compulsorily convertible debentures of Rs. 10 each, fully paid up at Rs. 12.18 are purchased by Navneet Education Limited (Holding Comoaany) from its erstwhile debenture holder Mr. Amit Gala having coupon rate of 0.1%, convertible into equal number of equirty shares. The Holding Company has irrevocable rights to convert CCD into equity shares at anytime after allotment. at the end of the term, if debenture holder does not exercrise right to convert debentures into equity shares, it will get automatically converted to equity shares.
- (b) In the previous year, on account of change in management plans and further infusion equity capital by the Holding Company, the management of the company had decided to redeem 6,67,50,000 OCPS od Rs. 10 each out of fresh issue of equity shares. Since the redemption of preference sharesis out of fresh issue of equity shares, no transfer to capital redmption reserve is required to be done in accordance with section 155 of the Companies Act 2013.

As per our report of even date attached hereto

For N. A. Shah Associates LLP

Chartered Accountants
Firm Registration Number - 116560W / W100149

Milan Mody

Partner
Membership Number: 103286

Place: Mumbai
Date: 21st May 2024

For & On behalf of the Board

Navneet Futuretech Limited

(Formerly known as Esense Learning Limited)

Gnanesh Gala

Managing Director
DIN: 00093008

Place: Mumbai
Date: 21st May 2024

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Company Secretary
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Place: Mumbai
Date: 21st May 2024

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Director
DIN: 00092952

Place: Mumbai
Date: 21st May 2024

Kalpesh Dedhia

Chief Financial Officer

Place: Mumbai
Date: 21st May 2024

Navneet Futuretech Limited**(Formerly known as Esense Learning Limited)**

Notes on financial statements for the year ended 31st March 2024

CIN: U72200MH2008PLC181531

3 Property, Plant and Equipment

(Amount in Rs.)

Description of Assets	Plant and Equipment	Office Equipment	Furniture and Fixtures	Total
Gross Block as at 31st March 2022	21,976,666	2,444,422	368,613	24,789,701
Additions during the year 2022-2023	6,732,513	361,203	-	7,093,716
Deduction / adjustments for 2022-2023	(12,221,092)	(843,278)	(138,158)	(13,202,528)
Gross Block as at 31st March 2023	16,488,087	1,962,347	230,455	18,680,889
Less: Assets transferred pursuant to the scheme of arrangement (Refer note 54)	(15,682,881)	(1,422,626)	(230,455)	(17,335,962)
Additions during the year 2023-2024	-	-	-	-
Deduction / adjustments for 2023-2024	-	-	-	-
Gross Block as at 31st March 2024	805,206	539,721	-	1,344,927
Depreciation upto 31st March 2022	17,878,693	2,222,542	349,829	20,451,063
Depreciation for the year 2022-2023	3,793,928	152,530	5,691	3,952,149
Deduction / adjustments for 2022-2023	(10,988,195)	(782,000)	(125,945)	(11,896,140)
Depreciation upto 31st March 2023	10,684,426	1,593,072	229,575	12,507,072
Less: Assets transferred pursuant to the scheme of arrangement (Refer note 54)	(10,067,138)	(1,164,379)	(229,575)	(11,461,092)
Depreciation for the year 2023-2024	80,911	47,454	-	128,365
Deduction / adjustments for 2023-2024	-	-	-	-
Depreciation upto 31st March 2024	698,199	476,147	-	1,174,345
Net Block as at 31st March 2023	5,803,661	369,275	880	6,173,817
Net Block as at 31st March 2024	107,007	63,574	-	170,581

Navneet Futuretech Limited
(Formerly known as Esense Learning Limited)

Notes on financial statements for the year ended 31st March 2024

CIN: U72200MH2008PLC181531

4 Intangible assets

(Amount in Rs.)

Description of Assets	Contents		Technology Platform	Trade Mark	Software	Total
	Self generated	Acquired				
Gross Block as at 31st March 2022	274,110,586	-	53,965,129	38,230,235	13,227,767	379,533,717
Additions during the year 2022-2023	59,772,597	45,090,000	122,506,724	50,000	14,764,000	242,183,321
Deduction / adjustments for 2022-2023	(98,405,207)	-	-	-	(12,300,517)	(110,705,724)
Gross Block as at 31st March 2023	235,477,976	45,090,000	176,471,853	38,280,235	15,691,250	511,011,314
Less: Assets transferred pursuant to the scheme of	(235,477,976)	(45,090,000)	(176,471,853)	(38,280,235)	(15,691,250)	(511,011,314)
Additions during the year 2023-2024	-	-	-	-	-	-
Deduction / adjustments for 2023-2024	-	-	-	-	-	-
Gross Block as at 31st March 2024	-	-	-	-	-	-
Depreciation upto 31st March 2022	188,713,077	-	35,474,629	38,230,235	13,227,767	275,645,707
Depreciation for the year 2022-2023	38,668,466	7,947,370	78,291,743	50,000	14,764,000	139,721,579
Deduction / adjustments for 2022-2023	(69,499,240)	-	(22,665,600)	-	(12,300,517)	(104,465,357)
Depreciation upto 31st March 2023	157,882,303	7,947,370	91,100,772	38,280,235	15,691,250	310,901,929
Less: Assets transferred pursuant to the scheme of	(157,882,303)	(7,947,370)	(91,100,772)	(38,280,235)	(15,691,250)	(310,901,929)
Depreciation for the year 2023-2024	-	-	-	-	-	-
Deduction / adjustments for 2023-2024	-	-	-	-	-	-
Depreciation upto 31st March 2024	-	-	-	-	-	-
Net Block as at 31st March 2023	77,595,673	37,142,630	85,371,081	-	-	200,109,385
Net Block As at 31st March 2024	-	-	-	-	-	-

4.1 In current year, all the Intangible Assets have been transferred to the Holding Company pursuant to the scheme of arrangement (Refer note 54). During the previous year, new contents had been developed & capitalised as it met the criteria of Ind AS 38 'Intangible Assets'. Also the Company had developed & capitalised technology platforms to support these contents and to support other products available for teachers and students in accordance with Ind AS 38. As at year ended 31st March 2023, certain contents and technology platform modules are under development and hence cost incurred upto year end is grouped as intangible assets under development in note 5.

In the previous year, impairment test for costs of contents and technology platform, capitalized or booked as under development (considered as single CGU), had been carried out by the management based on the projections as approved by the management. The value in use of the future projections was higher than the carrying value of the contents and technology platform.

4.2 Disclosures on impairment test

- Impairment loss recognised / (reversal) in the Statement of Profit & Loss and in the other comprehensive income is Rs. Nil (Previous year: Rs. Nil).
- Assumptions used to determine the recoverable amount of content / technology platform, are prepared based on market estimates and management judgements (i.e. Growth rate, EBIT, discount rate etc.)
- The management has carried out sensitivity analysis of discount rate and growth rate considered to arrive at value in use and accordingly to the same also, there is no provision for impairment required.

4.3 Details of remaining amortization period and carrying value of intangible assets is as under:

Description	Carrying amount as at [Amount in Rs.]		Remaining useful life as at [in months]	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
Content	-	114,738,304	0	12 to 24
Technology Platform	-	85,371,081	0	24
Total	-	200,109,386		

Also refer note 2.1(c)(ii) of significant accounting policies.

5 Intangible assets under development

(Amount in Rs.)

Description of Assets	Content	Technology Platform	Others	Total
As at 31st March 2022	-	-	-	-
Additions during the year 2022-2023	85,026,929	138,883,928		223,910,857
Capitalised to intangible assets	(59,772,597)	(122,506,723)		(182,279,320)
As at 31st March 2023	25,254,332	16,377,205	-	41,631,537
Less: Assets transferred pursuant to the scheme of arrangement (Refer note 54)	(25,254,332)	(16,377,205)	-	(41,631,537)
Additions during the year 2023-2024				
Capitalised to intangible assets				
As at 31st March 2024	-	-	-	-

Also refer note 4.1 and 4.2 above.

5.1 (a) Intangible assets under development - Ageing schedule as at 31st March 2024

Intangible assets under development	Amount in CWIP for period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress*	-	-	-	-	-
Projects temporarily Suspended	-	-	-	-	-
Total	-	-	-	-	-

(b) Intangible assets under development - Ageing schedule as at 31st March 2023

Intangible assets under development	Amount in CWIP for period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress*	41,631,537	-	-	-	41,631,537
Projects temporarily Suspended	-	-	-	-	-
Total	41,631,537	-	-	-	41,631,537

* The projects in progress were within the timelines and approved budgets.

Navneet Futuretech Limited**(Formerly known as Esense Learning Limited)**

Notes on financial statements for the year ended 31st March 2024

CIN: U72200MH2008PLC181531

(Amount in Rs.)

Note No.	Particulars	As at 31st March 2024	As at 31st March 2023
6	Non Current Financial Assets - Investments		
A.	Valued at Cost, Unquoted investments		
	Investment in Subsidiary Company		
	Genext Students Private Limited		
	Equity Instruments		
	Nil (PY: 2,03,74,711) Equity Shares of Rs. 10 each (Refer note 6.2 and 6.4)	-	286,284,908
	Investment in Associate Company		
	Carveniche Technologies Private Limited	186,724,147	186,724,147
	10,79,229 (PY: 10,79,229) Equity Shares of Rs. 10 each, fully paid up (Refer note 6.4 and 6.5)		
	Sub - Total (A)	186,724,147	473,009,055
B.	Valued at fair value through OCI, Unquoted investments		
	Investment in others		
	SFA Sporting Services Private Limited	1,178,201,000	750,000,000
	4,179 (PY: 4,179) Equity Shares of Rs. 10 each		
	Add: Fair Value Gain / (Loss) (Refer note 6.3 and 6.4)	(500,611,070)	428,201,000
		<u>677,589,930</u>	<u>1,178,201,000</u>
	Elation Edtech Private Limited	52,502,350	52,502,350
	1,822 (PY: Nil) Equity Shares of Rs. 10 each, fully paid up (Refer note 6.4 and 6.5)		
	Add: Fair Value Gain / (Loss) (Refer note 6.4 (c) and (d))	(41,932,750)	-
		<u>10,569,600</u>	<u>52,502,350</u>
	Sub - Total (B)	688,159,530	1,230,703,350
	Total (A + B)	874,883,677	1,703,712,405
6.1	Aggregate amount of unquoted investments (gross amount)	1,417,427,497	1,703,712,405
	Aggregate amount of Impairment in value of unquoted investment	(542,543,820)	-
	Aggregate amount of unquoted investments (net amount)	874,883,677	1,703,712,405
	Aggregate book value / market value of quoted investments	-	-
	Total	<u>874,883,677</u>	<u>1,703,712,405</u>
6.2	In the previous year ended 31st March 2023, the Company purchased 25,90,378 equity shares of face value Rs. 10 each of its subsidiary 'Genext Students Private Limited' (GSPL) from existing shareholders of the said company making it a wholly owned subsidiary of the Company. Also, refer note 54 .		
6.3	In the previous year, the Company had invested Rs. 75,00,00,000 by the way of equity shares i.e. 4,179 equity shares of face value of Rs. 10 each in SFA Sporting Services Private Limited. Thus the Company holds 14.29% of SFA's paid up share capital as on 31st March, 2023.		
6.4	Investments in Genext Students Private Limited, Carveniche Technologies Private Limited, Elation Edtech Private Limited and SFA Sporting Services Private Limited are for long-term and strategic in nature. The management has carried out detailed impairment test as at 31st March 2024 based on the estimate of future profitability and business prospects. The details for the same are disclosed as below:		
a)	Impairment test for investment into Genext Students Private Limited The company has incurred continuous losses during the previous year. During the previous year ended 31st March 2023, the impairment test carried out by the management including the business outlook, basis of estimates, valuation technique (fair value report obtained from registered valuer), appropriateness & reasonableness of assumptions, actual performance as against budget and various other parameters with the management of the subsidiary company, and based on which no impairment provision is required in the investment value as at 31st March 2023. Also, refer note 54.		
b)	Impairment test for investment into 'Carveniche Technologies Private Limited' Valuation of equity share investment into this Associate Company has been carried out by the management (fair value report was obtained from registered valuer) based on future profitability and business prospects projected in detailed projections provided by Management of the Associate company, and based on which no impairment provision is required in the investment value as at 31st March 2024 and 31st March 2023.		
c)	Fair valuation for investment into 'SFA Sporting Services Private Limited' During the year, the impairment test carried out by the management including the business outlook, basis of estimates, valuation technique (fair value report obtained from registered valuer), appropriateness & reasonableness of assumptions, actual performance as against budget and various other parameters with the management of the said company, and based on which, the Company has recognised fair value loss of Rs. 50,06,11,070 (Previous year: Gain of Rs. 42,82,01,000). This loss is routed through the Other Comprehensive Income based on the accounting policy adopted by the Company. During the current year, the deferred tax asset on the fair value loss has not been accounted considering lack of reasonable certainty as regards utilization of the said deferred tax asset. Further, in the previous year, the deferred tax liability on the fair value gain has been accounted.		
d)	Fair valuation for investment into 'Elation Edtech Private Limited' During the year, the impairment test carried out by the management including the business outlook, basis of estimates, valuation technique (fair value report obtained from registered valuer), appropriateness & reasonableness of assumptions, actual performance as against budget and various other parameters with the management of the said company, and based on which, the Company has recognised fair value loss of Rs. 4,19,32,750 (Previous year Rs. Nil). This loss is routed through the Other Comprehensive Income based on the accounting policy adopted by the Company. The deferred tax asset on the fair value loss has not been accounted considering lack of reasonable certainty as regards utilization of the said deferred tax asset.		
6.5	In the previous year, the following investments had been purchased from a fellow subsidiary Navneet Tech Ventures Private Limited (NTVPL):		
a.	The Company acquired 10,79,229 equity shares of 'Carveniche Technologies Private Limited' having face value Rs. 10 each for a total consideration of Rs. 18,67,24,147 from NTVPL. Accordingly the Company holds 46.84% of its paid up share capital, hence it is an associate company.		
b.	The Company acquired 1,822 equity shares of 'Elation Edtech Private Limited' having face value Rs. 10 each for a total consideration of Rs. 5,25,02,350 from NTVPL. Accordingly the Company holds 14.67% of its paid up share capital.		

Navneet Futuretech Limited**(Formerly known as Esense Learning Limited)**

Notes on financial statements for the year ended 31st March 2024

CIN: U72200MH2008PLC181531

(Amount in Rs.)

Note No.	Particulars	(Amount in Rs.)	
		As at 31st March 2024	As at 31st March 2023
7	Assets for Non current Tax (net)		
	Advance Income Taxes (Net of Provisions)	-	11,838,211
	Total	-	11,838,211

Navneet Futuretech Limited
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Notes on financial statements for the year ended 31st March 2024

CIN: U72200MH2008PLC181531

(Amount in Rs.)

Note No.	Particulars	As at	As at
		31st March 2024	31st March 2023
8	Other Non Current Assets		
	(Considered Good)		
	Other income receivable	-	5,105,231
	Total	-	5,105,231

9 Inventories

(valued at lower of cost or estimated net realisable value)

Materials (pen drive, CD, packing materials etc.)	-	20,967
Finished Goods	-	2,060,020
Stock in Trade	234,615	324,414
Job in progress	-	2,968,716
Total	234,614	5,374,117

9.1 During the year, amount of Rs. Nil (Previous Year: Rs. Nil) was recognised as an expense for inventories.

10 Trade receivables

Considered good	-	14,967,115
Less: Allowance for bad and doubtful debts & expected credit losses (Refer note 45)	-	(3,893,390)
Total	-	11,073,725

10.1 The Company follows simplified approach & the trade receivables do not contain significant financing component and accordingly the Company does not separately track changes in credit risk of trade receivables as the impairment amount represents "lifetime" expected credit loss. Accordingly, the disclosure as required by Schedule III, Division II as regards (a) Trade Receivables which have significant increase in credit risk & (b) Trade Receivables which are credit impaired is not required. However, in addition to collective pool assessment, the Company carried out individual assessment in respect of certain parties where the possibility of default in collection of trade receivable was high.

10.2 (a) Trade receivables ageing schedule as at 31st March 2024

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts & expected credit losses	-	-	-	-	-	-	-
(ii) Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-

(b) Trade receivables ageing schedule as at 31st March 2023

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	552,801	12,406,140	1,122,146	4,000	77,734	804,294	14,967,115
Less: Allowance for bad and doubtful debts & expected credit losses	-	-	-	-	-	-	(3,893,390)
(ii) Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Total	552,801	12,406,140	1,122,146	4,000	77,734	804,294	11,073,725

The above ageing includes Rs. Nil (net of provisions) of non current trade receivables and Rs. 1,10,73,725 (net of provisions) of current trade receivables.

11 Current Financial Assets - Cash and cash equivalents

a) Balance with Scheduled Banks		
- In Current Account	70,718	149,234
b) Cash on hand	51,169	61,328
Total	121,887	210,562

12 Other bank balances

Fixed deposits with original maturity for more than 3 months but less than 12 months (Refer note 12.1) (under lien with bank)	-	1,860,566
Total	-	1,860,566

12.1 In the previous year, fixed deposit of Rs. 16,39,528 was under lien with bank against bank guarantee given by Bank to the customer on behalf of the Company. Further, during the previous year, fixed deposit of Rs. 2,21,038 was under lien with bank against overdraft facility provided by the bank. (Refer note 54)

12.2 Other bank balances represent restricted deposits (along-with accrued interest thereon) under lien with bank.

13 Current Financial Assets - Loans

Loan to Holding Company (Refer note 54)	170,999,245	-
Total	170,999,245	-

Navneet Futuretech Limited**(Formerly known as Esense Learning Limited)**

Notes on financial statements for the year ended 31st March 2024

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(Amount in Rs.)

Note No.	Particulars	As at	
		31st March 2024	31st March 2023
13.1	The Mumbai Bench of the National Company Law Tribunal ("NCLT"), through its order dated 6th May 2024 had approved the scheme of arrangement with the appointed date of the demerger being 1st April 2023. Between the Appointed Date and Effective Date, the Holding Company and the Company (to the extent related to the Demerged Undertaking) shall carry on and be deemed to carry on all its business and activities as hereto and shall stand possessed of its properties and assets for and on account of on behalf of the Holding Company. All income and expenditure arising to the Demerged Undertaking of the Company (including all taxes, if any, paid or accruing in respect of any profits) by the Demerged Undertaking of the Demerged Company shall for all purposes be treated as the income or expenditure as the case may be of the Holding Company.		

Navneet Futuretech Limited**(Formerly known as Esense Learning Limited)**

Notes on financial statements for the year ended 31st March 2024

CIN: U72200MH2008PLC181531

(Amount in Rs.)

Note No.	Particulars	As at	As at
		31st March 2024	31st March 2023
14	Current Financial Assets		
	(considered good)		
	a) Deposits	151,051	2,552,751
	b) Loan and advances to employee	-	199,307
	c) Unbilled Revenue (net of provision) (Refer note 45)	-	2,729,546
	Total	151,051	5,481,604
15	Other current assets		
	(considered good)		
	a) Goods and Service Tax	31,927,125	44,201,370
	b) Prepaid expenses	91,200	1,578,042
	c) Advances to suppliers	-	5,520,020
	d) Advances to Employees for expenses	-	199,000
	e) Other income receivable	-	1,620,099
	Total	32,018,325	53,118,531

16 SHARE CAPITAL

A AUTHORISED :

(Amount in Rs.)

Particulars	As at 31st March 2024		As at 31st March 2023	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares of Rs.10/- each, fully paid up	350,000,000	3,500,000,000	350,000,000	3,500,000,000
Optionally Convertible Preference Shares of Rs. 10/- each, fully paid up (Refer 'Statement of Changes in Equity' and	100,000,000	1,000,000,000	100,000,000	1,000,000,000
Total	450,000,000	4,500,000,000	450,000,000	4,500,000,000

B ISSUED, SUBSCRIBED & PAID UP :

(Amount in Rs.)

Particulars	As at 31st March 2024		As at 31st March 2023	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares				
Equity Shares of Rs.10/- each fully paid up	153,528,784	1,535,287,840	258,883,500	2,588,835,000
Total	153,528,784	1,535,287,840	2,588,835,000	2,588,835,000

16.1 Reconciliation of the number of shares outstanding

(Amount in Rs.)

Equity Shares	As at 31st March 2024		As at 31st March 2023	
	No. of Shares	Amount	No. of Shares	Amount
Number of shares at the beginning of the year	258,883,500	2,588,835,000	23,633,500	236,335,000
Add: Shares issued	16,000,000	160,000,000	235,250,000	2,352,500,000
Less: Equity Shares extinguished pursuant to the scheme of arrangement (Refer note 54)	121,354,716	1,213,547,160	-	-
Number of Shares at the end of the year	153,528,784	1,535,287,840	258,883,500	2,588,835,000

Note - The proceeds from issue of shares during the year have been used in accordance with the purpose of the issue.

16.2 Terms/Rights Attached to Equity Shares

Equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share and all rank pari passu.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, there are no preferential amounts inter se equity shareholders. The distribution will be in proportion to the number of equity shares held by the shareholders (After due adjustment in case shares are not fully paid up).

16.3 Shareholders holding more than 5% of the shares:

Equity Shares	As at 31st March 2024		As at 31st March 2023	
	No. of Shares	% held	No. of Shares	% held
Navneet Education Limited (Holding Company and ultimate Holding Company)	153,528,784	100%	258,883,500	100%

16.4 Aggregate number of shares allotted as fully paid up pursuant to contract (s) without payment being received in cash during the period of five years immediately preceding the reporting date :

Particulars	Year ended 31st March	Year ended 31st March 2023	Year ended 31st March 2022	Year ended 31st March 2021	Year ended 31st March 2020
Equity Shares of Rs.10/- each fully paid up	-	-	-	-	-
Total	-	-	-	-	-

16.5 Shareholding of Promoters

Name of the Promoters	As at 31st March 2024		As at 31st March 2023		% Change during year
	No. of Shares	% held	No. of Shares	% held	As at 31st March 2024
Navneet Education Limited	153,528,784	100%	258,883,500	100%	-
Total	153,528,784		258,883,500		-

17 Other Equity

Particulars	As at 31st March 2024	As at 31st March 2023
A) Reserve and Surplus		
i. Equity component of compulsorily convertible debentures	2,175,530	2,175,530
ii. Optionally Convertible Preference Shares	-	-
iii. Debenture Premium	474,734	474,734
iv. Retained earnings	-352,857,554	-1,213,547,168
B) Other comprehensive income		
v. Re-measurement of the net defined benefit plan	666,466	8,455,069
vi. Equity instrument through other comprehensive income	-114,342,820	378,324,147
i. Equity component of compulsorily convertible debentures		
Balance at the beginning of the year	2,175,530	2,175,530
Changes during the year	-	-
Balance at the end of the year	2,175,530	2,175,530
ii. Optionally Convertible Preference Shares		
Balance at the beginning of the year	-	667,500,000
Optionally convertible preference shares issued	-	-
Redemption of convertible preference shares	-	-667,500,000
Balance at the end of the year	-	-
iii. Debenture Premium		
Balance at the beginning of the year	474,734	474,734
Changes during the year	-	-
Balance at the end of the year	474,734	474,734
iv. Retained earnings		
Balance at the beginning of the year	-1,213,547,168	-714,720,419
Net profit/(Loss) for the year	1,613,188	-478,455,574
Expenses for increase in authorised capital	-	-20,369,000
Adjustment of merger of subsidiary with holding company pursuant to the scheme of arrangement (Refer note	-286,284,908	-
Loss pertaining to demerged undertaking transferred pursuant to the scheme of arrangement (Refer note 54)	-68,185,825	-
Capital reduction pursuant to the scheme of arrangement (Refer note 54)	1,213,547,160	-
Interest accrued on Compulsorily Convertible Debentures (classified under equity)	-	-2,176
Balance at the end of the year	-352,857,554	-1,213,547,168
v. Re-measurement of the net defined benefit plan		
Balance at the beginning of the year	8,455,069	550,069
Adjustment of merger of the Subsidiary Company with the Holding Company (Refer note 54)	-7,824,941	-
Addition during the year (net of taxes)	36,338	7,905,000
Balance at the end of the year	666,466	8,455,069
Note: Gain / (Loss) arising out of change in actuarial assumption at the time of actuarial valuation is transferred to this reserve through Other Comprehensive Income.		
vi. Equity instrument through other comprehensive income		
Balance at the beginning of the year	378,324,147	-
Net amount recognised during the year	-492,666,967	378,324,147
Balance at the end of the year	-114,342,820	378,324,147

(Amount in Rs.)

Note No.	Particulars	As at 31st March 2024	As at 31st March 2023
18	Deferred Tax Liabilities (net)		
	Opening Balance	49,876,853	-
	Add : Deferred Tax (credit) / charge	(49,876,853)	49,876,853
	Deferred Tax Liabilities	-	49,876,853

18.1 Deferred tax liabilities are the amounts of income taxes payable in future periods in respect of taxable temporary differences. Also Refer note 42 and 6.4 (c).

19 Non-Current liabilities - Provisions

Gratuity (Refer note 40 (b)(i))	408,787	10,009,861
Total	408,787	10,009,861

20 Other non-current liabilities

Deferred revenue	-	27,279,462
Total	-	27,279,462

20 Current Financial Liabilities - Borrowings

Unsecured

i) Cash credit from bank (Refer note 20.3 below)	-	19,618,692
ii) Working capital rupee loans repayable on demand from bank (Refer note 20.3 below)	-	40,000,000
	-	59,618,692

20.1 Holding company has given financial guarantee of Rs. Nil (Previous Year: Rs. 16,50,00,000) against working capital loan and cash credit facility taken by the Company.

20.2 The company had utilized the funds borrowed from banks for the purpose for which it was obtained.

20.3 During the current year, the working capital loan has been transferred to the Holding Company pursuant to the scheme of arrangement (Refer note 54). During the previous year, the company had not been sanctioned working capital limits in excess of Rs. 5,00,00,000 from banks on the basis of security of current assets during any point of time of the previous year. However the Company is required to submit quarterly returns or statements of stock and debtors to the bank as per sanction letter which are in agreement with the books of accounts of the Company except on account of quarter-end cut off / finalization entries as mentioned below:

(a) For financial year 2022-2023

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference
Q1	Kotak Mahindra Bank Limited	Inventory & Debtors	30,884,150	31,111,601	(227,451)
Q2	Kotak Mahindra Bank Limited	Inventory & Debtors	33,253,391	30,461,562	2,791,829
Q3	Kotak Mahindra Bank Limited	Inventory & Debtors	32,597,333	29,645,150	2,952,183
Q4	Kotak Mahindra Bank Limited	Inventory & Debtors	14,640,137	10,883,054	3,757,083

21 Current Financial Liabilities - Trade payables

- Due to Micro, Small and Medium Enterprises (Refer note 21.1 and 21.2)	-	4,710,919
- Due to Others (Refer note 21.2)	6,241,727	33,307,772
Total	6,241,727	38,018,691

- 21.1 Details of the dues to Micro, Small and Medium Enterprises (MSME), as defined in the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), as on 31st March 2024 based on available information with the Company which are as under:
- | | | |
|--|---|-----------|
| a) the principal amount remaining unpaid to any supplier at the end of accounting year; | - | 4,710,919 |
| b) the interest due on above, remaining unpaid to any supplier at the end of accounting year; | - | - |
| c) the amount of interest paid by the buyer in terms of section 16 of the MSMED Act (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during accounting year; | - | - |
| d) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act; | - | - |
| e) the amount of interest accrued and remaining unpaid at the end of accounting year; and | - | - |
| f) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act. | - | - |

21.2 (a) Trade payables ageing schedule as at 31st March 2024

Particulars	Outstanding for following periods from due date of payment 31.03.2024						Total
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	6,241,727	-	-	-	6,241,727
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	-	-	6,241,727	-	-	-	6,241,727

(b) Trade payables ageing schedule as at 31st March 2023

Particulars	Outstanding for following periods from due date of payment 31.03.2023						Total
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	4,710,919	-	-	-	4,710,919
(ii) Others	9,262,726	13,417,689	10,627,357	-	-	-	33,307,772
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	9,262,726	13,417,689	15,338,276	-	-	-	38,018,691

22 Other financial liabilities

Payables to employees	-	39,773,250
Creditors for capital goods	-	10,080,956
Security Deposit	-	1,195,000
Total	-	51,049,206

23 Other current liabilities

Advances received from customers	250,000	5,706,086
Deferred revenue	-	20,065,804
Statutory Dues		
- Provident fund / ESIC / Profession tax	156,419	2,000,625
- Tax deducted at source	-	9,518,555
- Goods and Service Tax	-	1,822,955
Total	406,419	39,114,025

24 Short-term provisions

Provision for Employee Benefit		
Gratuity (Refer note 40 (b)(i))	-	908,653
Compensated absences (Refer note 40 (b)(ii))	118,251	5,096,937
Total	118,251	6,005,590

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Notes on financial statements for the year ended 31st March 2024

CIN: U72200MH2008PLC181531

(Amount in Rs.)

Note No.	Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
25	Revenue from operations		
	Sale of products	36,978,622	21,779,655
	Sale of services	-	93,465,106
	Other operating revenues		
	- Sundry credit balances written back	-	91,929
	- Sale of waste / Royalty etc.	-	108,650
	- Profit on sale of content	-	45,953,246
	Total	36,978,622	161,398,586

25.1 Disclosures of Ind AS 115

a) Contracts with customer and significant judgement in applying the standard:

- i) Revenue is recognised on installation of the hardware on completion of performance obligation as per agreed terms with the customer. In the previous year, the Company was in the business of developing digital content and technology platforms for school, teachers and students. It had various types of products and applications and revenue recognition for those products would depend on whether the customer was a right to access or right to use. The Company applies guidance provided in Ind AS 115 'Revenue from contracts with customers' for determining the timing on recognition of revenue. Also, refer note 54.
- ii) For details of revenue recognised from contracts with customers, refer note 25 above.
- iii) There are no contract assets arising from the Company's contract with customers.

b) Disaggregation of revenue

- i) For disaggregation of revenue, refer break-up given in note 25 above.

- ii) Concentration of revenues: The Company has earned 40% of its revenue from Learning Links Foundation and 13% of its revenue from 'Navneet Foundation' for the year ended 31st March 2024. The Company has earned 49% of total revenue from the Holding Company 'Navneet Education Limited' for the year ended 31st March 2023.

c) Contract balances

- i) Opening balance of contract assets 2,968,716 -
- Contract balances taken over by the Holding Company as per the scheme of Arrangement (Refer note 54) (2,968,716)
- Closing balance of contract assets (Refer note below) - 2,968,716

- ii) Above contract balances of the previous year ended 31st March 2023, represent the cost incurred till the year end for on-going contracts with customers for which revenue was expected to be recognised in the current financial year upon completion of performance obligation as per agreed terms with the customer. The closing balances of contract assets that are outstanding as on 31st March 2023 are transferred to the Holding Company in the current year ended 31st March 2024, pursuant to the scheme of arrangement. (Refer note 54)

d) Performance obligation

Navneet Futuretech Limited**(Formerly known as Esense Learning Limited)**

Notes on financial statements for the year ended 31st March 2024

CIN: U72200MH2008PLC181531

(Amount in Rs.)

Note Particulars	For the year ended	For the year ended
No.	31st March 2024	31st March 2023

- i) For timing of satisfaction of its performance obligations, refer note 2.1(g) of significant accounting policies of the Company.

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Notes on financial statements for the year ended 31st March 2024

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(Amount in Rs.)

Note No.	Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
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ii) Unsatisfied (or partially satisfied) performance obligations are due to unexpired contract period in case where the contract for sale of educational content is in the nature of right to access or if the contract period is for more than 1 year. The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations in the current year Rs. Nil (Previous year: Rs. 4,73,45,266); out of which Nil (Previous year: 42%) is expected to be recognised as revenue in the current year and the balance thereafter.

iii) Unsatisfied (or partially satisfied) performance obligation amounts disclosed above does not include obligation towards contract asset disclosed in (c)(i) above. Also refer explanatory note given in (c)(ii) above.

26 Other Income

Interest Income	-	1,442,806
Other non-operating income	-	1,022,308
Total	-	2,465,114

27 Employee benefits expense

Salaries, Wages & Bonus	2,440,328	257,613,231
Contribution to PF, ESIC and LWF (Refer note 40 (a))	143,254	8,434,535
Contribution to Other Funds	76,923	13,847,731
Staff Welfare	86,792	3,505,590
Total	2,747,297	283,401,087

27.1 Out of the total Salaries, wages & bonus, amount aggregating to Rs. Nil (Previous year: Rs. 2,36,63,027) relates to termination benefits / severance pay payable to employees.

28 Materials consumed for rendering services

Materials Consumed	566,616	66,185
Total	566,616	66,185

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Notes on financial statements for the year ended 31st March 2024

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(Amount in Rs.)

Note No.	Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
29	Changes in inventories of materials and Stock-in-Trade		
	Opening Stock		
	Finished goods	2,060,020	2,255,044
	Stock in Trade	324,414	438,700
	Job in progress	2,968,716	-
		<u>5,353,150</u>	<u>2,693,744</u>
	Less: Stock transferred pursuant to the Scheme of Arrangement (Refer note 54)		
	Finished goods	404,530	-
	Stock in Trade	324,414	-
	Job in progress	2,968,716	-
		<u>3,697,660</u>	<u>-</u>
	Closing Stock		
	Finished goods	-	2,060,020
	Stock in Trade	234,615	324,414
	Job in progress	-	2,968,716
		<u>234,615</u>	<u>5,353,150</u>
	Total	<u>1,420,875</u>	<u>(2,659,406)</u>
30	Finance costs		
	Interest expenses	-	10,179,602
	Total	<u>-</u>	<u>10,179,602</u>
31	Depreciation and amortization expense		
	Depreciation of Property, Plant & Equipment (Refer note 3)	128,365	3,952,149
	Amortisation of intangible assets (Refer note 4)	-	139,721,579
	Total	<u>128,365</u>	<u>143,673,728</u>

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Notes on financial statements for the year ended 31st March 2024

CIN: U72200MH2008PLC181531

(Amount in Rs.)

Note No.	Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
32	Other expenses		
	Auditor's remuneration (Refer note 35)	42,758	247,500
	Content upgradation expenses	-	22,749,417
	Marketing expenses	-	25,028,663
	Advertisement and sales promotion expenses	115,615	40,320,159
	Rent, rates and taxes	170,625	15,407,657
	Repairs		
	- Building repairs & maintenance	133,632	2,234,127
	- Other repairs	275,107	1,842,245
	Sales commission	-	7,187,217
	Computer software charges	-	24,654,865
	Communication expenses	268,875	2,710,834
	Bad debts and other irrecoverable advance written off	-	5,845,920
	Staff recruitment expenses	-	11,332,667
	Printing expenses	116,443	1,042,265
	Electricity expenses	23,426	909,222
	Transportation expenses	-	5,357,588
	Legal and professional fees	1,833	13,457,151
	Royalty	-	4,655,630
	Director sitting fees (Refer note 37.2)	84,000	70,000
	Loss on foreign exchange transactions (net)	-	115,560
	Other expenses	55,756	3,600,129
	Total	1,288,070	188,768,816

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Notes on financial statements for the year ended 31st March 2024

CIN: U72200MH2008PLC181531

33 Capital and other Commitments:

Estimated amounts of contracts remaining to be executed on capital accounts and not provided for in the accounts are Rs. Nil (Previous year: Rs. Nil).

34 Contingencies and litigations:

There are no contingent liability as at 31st March 2024. Due to scheme of arrangement (refer note 54), the Holding Company has taken over all the contingent liabilities of the Company which are mentioned below:

a) Assessing Officers of the Income tax department had made certain disallowances for AY 2012-13 to AY 2013-14 and reduced the losses claimed by the Company by Rs. 3,57,77,230. The Company has filed appeals before CIT (Appeals) / ITAT against these orders.

The ITAT has given substantial reliefs of Rs. 93,57,566 as against disallowance of Rs.1,19,93,743 for AY 2012-13 and of Rs. 34,85,667 as against disallowance of Rs. 50,53,596 for AY 2014-15. Management is hopeful of getting relief in AY 2013-14 also as nature of disallowance is similar.

Further, department has levied penalty of Rs. 8,14,579 and Rs. 15,61,651 u/s 271(1)(c) of the Income Tax Act, 1961 for assessment year 2012-13 & 2014-15 respectively. The Company has filed appeals before CIT (Appeals) against both the penalty orders. The Company has made payment under protest of Rs. 1,62,920 against penalty order for AY 2012-13 and penalty of AY 2014-15 has been adjusted by CPC against refund of AY 2020-21 without consent of company and hence the Company has appealed against the same.

Further Assessing Officer has made disallowances of Rs. 2,98,10,012 for AY 2021-22 and raised a demand of Rs. 56,85,500 without adjusting losses. The Company had filed appeals before CIT (Appeals) / ITAT against these orders.

Considering nature of disallowance and certain favourable judicial decisions with respect to levy of penalty, the management of the Company is hopeful of getting favourable orders at the higher forum.

b) Kotak Mahindra Bank has given bank guarantee to two of the customers of the Company amounting to Rs. 15,00,000 against which the Company has provided bank deposit of same amount which is kept under lien by the Bank. Further, the Company has availed bank overdraft facility from ICICI Bank Limited against which the Company has provided bank deposit of Rs. 2,00,000 which is kept under lien by the Bank (Refer note 12.1 & 54).

35 Auditors Remuneration:

(Amount in Rs.)

Particulars	2023-2024	2022-2023
Payment to auditor as:		
a) auditor : (i) Statutory Audit	42,758	165,000
: (ii) Tax Audit	-	82,500
Total	42,758	225,000

36 Earning Per Share (EPS):

(Amount in Rs.)

Particulars	2023-2024 (Refer note 36.2)	2022-2023 (Refer note 36.2)
Net loss after tax before other comprehensive income available for Equity Shareholders	1,613,188	(478,455,574)
Weighted average number of equity shares for basic and diluted EPS (in numbers)		
i) Equity shares (Refer note 16)		
ii) Compulsorily Convertible Debentures (Refer Statement of Changes in Equity)	150,829,331	154,059,061
Basic and Diluted EPS (Rs.)	0.01	(3.11)
Face Value Per Equity Share (Rs.)	10	10

36.1 As per para 23 of Ind AS 33 'Earnings per share', mandatorily convertible instrument should be considered for basic EPS from the date of the contract. Accordingly, compulsory convertible debentures issued by the Company has been considered for the calculation of basic EPS.

36.2 In the previous year, the weighted average number of shares have been calculated in accordance with para 26 & 27 of Ind AS 33 'Earnings per share'.

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Notes on financial statements for the year ended 31st March 2024

37 Related party disclosure

37.1 List of related parties and relationships:

Nature of relationship	Name of the relative
Holding Company (also Ultimate Holding Company)	Navneet Education Limited
Enterprises where control exists -Subsidiary	Genext Students Private Limited (Merged with Navneet Education Limited pursuant to scheme of arrangement) (refer note 54)
-Associate	Carveniche Technologies Private Limited
Enterprises owned or significantly influenced by key management	Navneet Foundation
Entities with joint control (Fellow Subsidiaries)	Indiannica Learning Private Limited Navneet Tech Ventures Private Limited
Key Managerial Personnel (KMP) and their relatives (only where there are transactions)	Gnanesh D. Gala (Managing Director w.e.f. 1st August 2022) Sanjeev R. Shah (Joint Managing Director w.e.f. 1st August 2022 to 31st August 2023) Raju H. Gala (Managing Director upto 1st August 2022) Karan Khemkha (Director w.e.f. 1st August 2022 to 27th October 2023) Harshil A. Gala (Director upto 1st August 2022) Yasho V. Verma Kalpesh Dedhia (Chief Financial Officer w.e.f. 1st February 2022) Amitabh S. Mehata (Independent director) Vijay B. Joshi (Independent Director w.e.f 21st May 2022) Chetan S. Lad (Company Secretary) (w.e.f. 4th April, 2022)

37.2 Disclosure in respect of transactions with related parties during the year (Also refer note 54):

Refer Annexure A to the financial statement attached herewith.

38 Segment Information

The Company is in the business of hardware sale related to e-learning softwares and has also made strategic investment in field of online education & sporting event management for schools. During the previous year, the Company was mainly in the business of creation and sale of educational contents in digital form and allied educational activities including making strategic investments in the field of education. Further since the segment reporting is done in the consolidated financials of the Holding Company, separate segmental reporting in standalone financial statements is not done. Further, management of the Company is also reviewing the results / operations of the Company as single segment. Also refer note 25.1 (b) (ii) for customer concentration and note 54.

39 Consolidated Financial Statements

As the Holding Company 'Navneet Education Limited' is preparing consolidated financial statements, the Company being intermediate Holding Company is not required to prepare consolidated financial statements in accordance with exemptions given in paragraph 4 of Ind AS 110 'Consolidated Financial Statement' read with Rule 6 of Companies (Accounts) Rules, 2014 as amended by Companies (Accounts) Amendment Rules, 2016 notified on July 27, 2016.

40 Disclosure pursuant to Indian Accounting Standard 19 'Employee benefits':

(a) The Company has recognised the following amounts towards defined contribution plans as an expense and included in the Statement of Profit and Loss.

(Amount in Rs.)

Particulars	2023-2024	2022-2023
Provident Fund	67,746	2,041,672
Government Pension Fund	74,760	5,522,600
Employee State Insurance Corporation	-	846,497
Labour Welfare Fund	748	23,766
Total	143,254	8,434,535

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(b) Brief description of the defined benefit plans and other long term benefits:

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount equivalent to 15 days salary for each completed year of service subject to a maximum of Rs. 20,00,000. Vesting occurs upon completion of five continuous years of service in accordance with Payment of Gratuity Act, 1972. The Company has not funded its Gratuity obligation.

Compensated absences are payable to eligible employees who have earned leaves, during the employment and / or on separation as per the Company's policy and it is unfunded. Further employees can utilize earned leaves balances against the absences.

The gratuity and the compensated absences liability for the employees shifted to the Holding Company has been transferred to the Holding Company pursuant to the scheme of arrangement (Refer note 54).

i) Gratuity (unfunded):

(Amount in Rs.)

Particulars	2023-2024	2022-2023
Change in Obligation		
Opening fair Value	10,918,514	14,443,560
Less: Transferred pursuant to the Scheme of Arrangement (Refer Note 54)	(10,534,306)	
Current Service Cost	34,625	3,393,459
Actuarial gain / (loss)	(36,338)	(7,905,000)
Past Service Cost (vested benefits) *	-	-
Interest Cost	26,292	986,495
Benefits Paid	-	-
Closing fair value	408,787	10,918,514

Change in Plan Asset		
Opening Fund Balance	-	-
Return on the plan Asset	-	-
Contribution paid	-	-
Benefits paid during period	-	-
Closing Fund Balance	-	-

Reconciliation of present value of obligation and plan asset		
Closing Fund Balance	-	-
Closing fair value of obligation	408,787	10,918,514
Net Liability recognized in balance sheet	(408,787)	(10,918,514)
a) Disclosed in note 19 'Provision for employee benefits' (non-current)	408,787	10,009,861
b) Disclosed in note 24 'Provision for employee benefits' (current)	-	908,653
c) Included in 'Payables to employees' in note 22	-	-

Expense recognized in the statement of P & L		
Current Service Cost	34,625	3,393,459
Interest Cost	26,292	986,495
Past Service Cost (vested benefits) *	-	-
Expenses Return on Plan Asset /Actuarial gain / (Loss)	-	-
	60,917	4,379,954
Expense recognized in the statement of P&L	60,917	4,379,954

Other Comprehensive Income (OCI)		
Actuarial (Gain) / Loss recognized	(36,338)	(7,905,000)
Asset Limit effect	-	-
Return of Plan Asset excluding net interest	-	-
Unrecognized Actuarial (Gain) Loss from Previous period	-	-
Total Actuarial (Gain) / Loss recognized in OCI	(36,338)	(7,905,000)

Movement in the Liability recognized in Balance Sheet		
Opening Net Liability	10,918,514	14,443,560
Adjustment pursuant to the scheme of arrangement (refer note 54)	(10,534,306)	
Expense as above	60,917	4,379,954
Contribution paid	-	-
Other Comprehensive Income (OCI)	(36,338)	(7,905,000)
Closing Net Liability	408,787	10,918,514

Assumption		
Rate of Mortality	IALM (2012-14) Ult	IALM (2012-14) Ult
Discount Rate	7.13%	7.29%
Future Salary Increase	6.00%	6.00%

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Notes on financial statements for the year ended 31st March 2024

Sensitivity analysis:

PVO	2023-2024		2022-2023	
	Discount rate	Escalation rate	Discount rate	Escalation rate
Present value obligation on increase by 1%	353,471	414,394	10,071,548	11,784,593
Present value obligation on decrease by 1%	418,653	356,175	11,896,846	10,154,547

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ii) Compensated absences (unfunded):

(Amount in Rs.)

Particulars	2023-2024	2022-2023
Change in Obligation		
Opening fair Value	5,096,937	11,169,866
	(4,971,878)	
Current Service Cost including actuarial gain / (loss)	11,611	5,188,526
Interest Cost	4,395	762,902
Benefits Paid	(22,814)	-
Closing fair value	118,251	5,096,937

Change in Plan Asset		
Opening Fund Balance	-	-
Return on the plan Asset	-	-
Contribution paid	22,814	-
Benefits paid during period	(22,814)	-
Closing Fund Balance	-	-

Reconciliation of present value of obligation and plan asset		
Closing Fund Balance	-	-
Closing fair value of obligation	118,251	5,096,937
Net Liability recognized in balance sheet	(118,251)	(5,096,937)

Expense recognized in the statement of P & L		
Current Service Cost including actuarial gain / (Loss)	11,611	(6,835,831)
Interest Cost	4,395	762,902
	16,006	(6,072,929)
Less: Capitalised to contents / technology platform	-	-
Encashment other than full & final settlement	-	-
Expense recognized in the statement of P&L	16,006	(6,072,929)

Movement in the Liability recognized in Balance Sheet		
Opening Net Liability	5,096,937	11,169,866
	(4,971,878)	
Expense as above	16,006	(6,072,929)
Contribution paid	(22,814)	-
Closing Net Liability	118,251	5,096,937

Sensitivity analysis:

PVO	2023-2024		2022-2023	
	Discount rate	Escalation rate	Discount rate	Escalation rate
Present value obligation on increase by 1%	80,987	87,469	4,831,483	5,390,800
Present value obligation on decrease by 1%	87,630	81,075	5,404,309	4,838,839

Assumption		
Rate of Mortality	IALM (2012-14) Ult	IALM (2012-14) Ult
Discount Rate	7.09%	7.29%
Future Salary Increase	6.00%	6.00%

41 Leases

The Company has adopted Ind AS 116 'Leases' with the date of initial application being April 1, 2019. Ind AS 116 replaces Ind AS 17 'Leases' and related interpretation and guidance. Also refer note 2.1(k)(A) for accounting policy on leases.

i) As a lessee

The company has lease contracts for office premises and computers used in its operations. All these leases have lease terms of 12 months or less. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Particulars	2023-2024	2022-2023
Carrying value and depreciation on ROU assets	-	-
Interest expense on lease liabilities	-	-
Lease expenses in case of short term leases [Refer note 32 'Other Expenses']	170,625	14,104,271
Lease expenses in case of low value leases	-	-
Variable lease payments not considered in measurement of lease liabilities	-	-
Income from subleasing ROU assets	-	-

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Total cash outflow for leases [including short term and low value leases]	170,625	14,104,271
Additions to ROU assets	-	-
Gains or losses arising from sale and leaseback transactions	-	-
The carrying amount of right-of-use assets at the end of the year	-	-

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42 Income taxes

42.1 As per Ind AS 12 'Income Taxes', deferred tax asset should be recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised. The Company has not recognised deferred tax assets considering lower probability of taxable profit in near future against which unused tax losses can be utilised.

42.2 Statement of profit and loss

Current tax	-	-
Deferred tax	-	-
Total tax expenses as per statement of profit and loss	-	-

42.3 Reconciliation of income tax expense and the accounting profit multiplied by statutory tax rate:

Profit/(Loss) before tax	1,613,188	(478,455,574)
Enacted tax rates in India	25.17%	25.17%
Computed expected tax expense	406,007	(120,417,699)
DTA not recognised on tax loss and other assets	(406,007)	120,417,699
At the effective income tax rate	-	-
Income tax expense reported in the statement of profit and loss	-	-

42.4 Details of tax losses:

The Company is having carry forward depreciation losses as at 31st March 2024 of Rs 11,11,71,822. (Previous year: Rs. 33,46,28,056) which doesn't have any expiry date and carry forward business losses as on 31st March 2024 is Rs. Nil (Previous year: Rs. 66,65,44,939) which will be expired in next 1 to 8 years (Previous year : 1 to 7 years). Considering losses incurred during last three years, these assets are not recognised in financial statements.

42.5 No provision for tax has been made, as the Company has brought forward depreciation losses under income tax.

43 Cash flow statement

43.1 Aggregate (Inflow)/Outflow on account of direct taxes credit received (net) is Rs. (Previous year Rs. 6,77,096).

43.2 Reconciliation of cash and cash equivalents as per cash flow statement:

(Amount in Rs.)

Particulars	2023-2024	2022-2023
Cash & Cash Equivalents (Note 11)	121,887	210,562
Cash Credit from Bank (Note 20)	-	(19,618,692)
Balances as per statement of cash flow	121,887	(19,408,130)

43.3 Changes in financing activities arising from cash and non-cash changes:

(Amount in Rs.)

Particulars	As at 31st March 2024	Cash inflows / (outflows)	Non-cash changes	As at 31st March 2023
Working capital loan	-	-	-	40,000,000
Loan from holding company	-	-	-	-
Total	-	-	-	40,000,000

44 Fair value of financial assets and liabilities

The management has assessed the values of financial asset and financial liabilities on the basis of their amortized costs which approximate their carrying amounts.

(a) Fair values of cash and cash equivalents, trade receivables, interest accrued on deposits with bank, bank deposits, trade payables and other financial liabilities, approximate their carrying amounts largely due to the short-term maturities of these instruments.

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- (b) The management has considered fair value of security deposits, loan from bank, and other financial liabilities equal to their carrying value as fair values based on the current market interest rates and other risk factors approximate to carrying value.

Particulars	31st March 2024		31st March 2023	
	Level of input used in*	Carrying Amount	Level of input	Carrying Amount
a) Financial assets				
At Amortised Cost				
Trade receivables - current	NA	-	NA	11,073,725
Trade receivables - non-current	NA	-	NA	-
Cash and cash equivalents	NA	121,887	NA	210,562
Other bank balances	NA	-	NA	1,860,566
Loans and advances	NA	170,999,245	NA	199,307
Other financial assets	NA	151,051	NA	5,282,297
At Fair Value Through OCI				
Investment in Equity (Refer note 6 and note 44(i))	Level 3	688,159,530	Level 3	1,230,703,350
b) Financial liabilities				
At Amortised Cost				
Working Capital Rupee Loans repayable on demand from banks	NA	-	NA	40,000,000
Loan from holding company (including accrued interest)	NA	-	NA	-
Cash credit from Bank	NA	-	NA	19,618,692
Other financial liabilities	NA	-	NA	51,049,206
Trade payables	NA	6,241,727	NA	38,018,691

* Level is NA, since valued at amortised cost in current and previous year and hence disclosure on transfer from level 1 to level 2 during the year is not applicable.

(i) Investments in subsidiary (Genext Students Private Limited) and investment in Associate company (Carveniche Technologies Private Limited) is valued at cost in accordance with Ind AS 27 'Separate Financial Statements', consequently the same is not disclosed in above table.

- (c) Movement of items measured using unobservable inputs (Level 3):

Particulars	Equity Instrument	Total
Balance as at 1st April 2022	375,000,000	375,000,000
Addition during the year	427,502,350	427,502,350
Disposal during the year	-	-
Gain / (Loss) recognised in	428,201,000	428,201,000
Balance as at 31st March 2023	1,230,703,350	1,230,703,350
Addition during the year	-	-
Disposal during the year	-	-
Gain / (Loss) recognised in	(542,543,820)	(542,543,820)
Balance as at 31st March 2024	688,159,530	688,159,530

- (d) Unobservable inputs used in measuring fair value of financial instruments categorised as level 3
The following tables set forth information about significant unobservable inputs used in measuring financial instruments categorised as level 3 in the fair value hierarchy.

Type of Instrument	Fair value as at 31 March, 2024	Fair value as at 31 March, 2023	Significant unobservable input/fair valuation method	Fair value measurement sensitivity to unobservable inputs
Equity Instrument	688,159,530	1,230,703,350	Fair valuation is done by independent registered valuer based on revenue multiple model.	A significant increase/decrease in the price would result in a higher/lower fair value

The effect of unobservable inputs on fair value measurement

Although the Company believes that its estimates of fair value are appropriate, the use of different methodologies or assumptions could lead to different measurements of fair value.

The most significant input impacting the fair value of such financial instruments are prices or values provided by external valuer. An upward or downward 5% change in price would result in an impact of Rs. 3.44.07.977 (31st March 2023: Rs. 6.15.35.168).

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45 Financial risk management objectives and policies

The Company is exposed to market risk, credit risk and liquidity risk. The management reviews and agrees policies for managing each of these risks which are summarized

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprise three types of risk: foreign currency risk, interest rate risk and other price risk. Financial instruments affected by market risk primarily include trade receivables, trade payables, cash and cash equivalents.

The sensitivity analysis in the following sections relate to the position for the periods presented. The sensitivity analysis has been prepared on the basis that the amount of net debt and the proportion of financial instruments in foreign currencies are all constant. The analysis exclude the impact of movements in market variables on the carrying values of gratuity obligation and provisions.

The sensitivity of the relevant profit and loss item is the effect of the assumed changes in respective market risks based on the financial assets and financial liabilities held at the periods presented.

Interest rate management

Under the Company's interest rate management policy, interest rates on borrowings denominated in Indian Rupees are maintained on a floating rate basis. The following tables demonstrate the sensitivity to a reasonably possible change in interest rate, with all other variables held constant. The impact on the Company's loss before tax is due to changes in the fair value of monetary assets and liabilities.

(Amount in Rs.)

Loan / Borrowing	Change in Interest Rate	Effect on profit before tax
March 31, 2024	Increase by 100 basis points (100 bps)	-
	Decrease by 100 basis points (100 bps)	-
March 31, 2023	Increase by 100 basis points (100 bps)	596,187
	Decrease by 100 basis points (100 bps)	-596,187

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Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to trade payables and trade receivables.

Particulars	31st March 2024		31st March 2023	
	Amount in foreign currency	Amount in Rupees	Amount in foreign currency	Amount in Rupees
Receivables				
USD	-	-	-	-
Payables				
USD	-	-	8,617	705,130

Price risk

The Company is not exposed to any significant price risk.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities, primarily for trade receivables and deposits with banks and other financial assets.

Trade receivables:

An impairment analysis is performed at each reporting date on an individual basis for major customers. The Company evaluates the concentration of risk with respect to trade receivables as low. There are no trade receivables balance as at 31st March 2024, and hence there are no parties from whom receivables are more than 10% of total receivable (In the previous year, 'Skill for Progress' from whom receivables are more than 10% of total receivable).

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security.

The ageing of trade receivable and credit loss allowance is as under:

(Amount in Rs.)

Particulars	Ageing			Total
	Not due	Due and o/s for upto 6 months	Due and o/s for more than 6 months	
As at 31st March 2024				
Secured	-	-	-	-
Unsecured	-	-	-	-
Total receivables	-	-	-	-
Allowance for doubtful receivables				-
Net Receivables				-
Expected loss rate *				
As at 31st March 2023				
Secured	-	-	-	-
Unsecured	1,122,146	13,844,969	-	14,967,115
Total receivables	1,122,146	13,844,969	-	14,967,115
Allowance for doubtful receivables				3,893,390
Net Receivables				11,073,725
Expected loss rate *				26.01%

* Expected loss rate includes both allowance made based on age of the receivable and expected loss based on historical experience.

Movement in credit loss allowance

(Amount in Rs.)

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Balance at the beginning	4,196,674	13,520,020
Less: Adjustment pursuant to the scheme of arrangement (Refer note 54).	-4,196,674	-
Additional provision (including provision on unbilled revenue)	-	5,845,920
Amounts written off	-	-15,169,266
Balance at the end	-	4,196,674

Deposits with banks and other financial assets:

Credit risk from balances with banks and financial institutions is managed by the Company's the internal team in accordance with the Company's policy and reviewed annually by the management.

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Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unexpected losses. The Company's

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

(Amount in Rs.)

Particulars	Less than 3 months	3 to 12 months	1 to 5 years	Total
Year ended March 31, 2024				
Trade payables	3,311,287	2,930,440	-	6,241,727
Loan from holding company	-	-	-	-
Year ended March 31, 2023				
Term loan from Bank	40,000,000	-	-	40,000,000
Cash credit from Bank	19,618,692	-	-	19,618,692
Trade payables	38,018,691	-	-	38,018,691
Loan from holding company			-	-

As at year end, current assets of the Company are more than current liabilities. Also considering support from the holding company, the Company does not expect any significant liquidity risk.

46 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, free reserves and credit balance of the statement of Profit and Loss. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes suitable adjustments in light of changes in economic conditions.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, Fixed cost bearing securities including Loan Obligation, Trade and other payables and less Cash and cash equivalents.

(Amount in Rs.)

Particulars	31st March, 2024	31st March, 2023
Borrowings	-	59,618,692
Trade payables	6,241,727	
Less: Cash and cash equivalents	(121,887)	(210,562)
Net debt	6,119,840	59,408,130
Capital and Net debt	1,541,407,680	2,648,243,130
Gearing Ratio	0.40%	2.24%

* does not include debit balance of the Statement of Profit and Loss and convertible instruments grouped under 'Other Equity'.

47 Disclosure as per Ind AS 10 'Events after the reporting period'

a) The Board of Directors in its meeting held on 12th May 2023, have approved the merger between Genext Students Private Limited & Navneet Futuretech Limited in FY 23-24.

b) No other significant event has occurred subsequent to year end.

Navneet Futuretech Limited
(Formerly known as Esense Learning Limited)

Notes on financial statements for the year ended 31st March 2024

48 Ratios

Particulars	Numerator	Denominator	Ratio		% Change
			As at 31st March 2024	As at 31st March 2023	As at 31st March 2024
(a) Current Ratio	Total Current Assets	Total Current Liabilities	30.08	0.40	7459.04%
(b) Debt Equity Ratio	Debt includes current and non current borrowings	Equity = Shareholder's Funds	-	0.03	-100.00%
(c) Debt Service Coverage Ratio	Earnings available for debt service (includes PAT+Depreciation+Interest)	Debt Service = Interest Expense + Principal Repayments made during the period	-	(0.18)	-100.00%
(b) Return on Equity Ratio	Profit after tax for the year less preference dividend	Average Shareholder's Equity	0.00	(0.49)	-100.23%
(e) Inventory turnover Ratio	Cost of goods sold	Average Inventory	11.13	4.03	175.82%
(f) Trade Receivables turnover Ratio	Value of Sales & Services (includes sales of products and service and sale of scrap)	Average Trade Receivables (net of provisions)	6.68	5.45	22.52%
(g) Trade payables turnover Ratio	Total Purchases (Purchases + Other Expenses)	Average Trade Payables*	1.38	6.02	-77.11%
(h) Net capital turnover Ratio	Revenue from operations	Working Capital= Current assets - Current liabilities	0.19	(1.38)	-113.59%
(i) Net profit Ratio	Net profit after tax	Revenue from operations	0.04	(2.96)	-101.47%
(j) Return on Capital Employed	Earning before Interest &	Capital Employed Tangible	0.00	(0.30)	-100.51%
(k) Return on Investment	Income generated from invested funds	Average Investment	-	0.06	-100.00%

*Average trade payables does not include creditors for capital goods.

Note: The ratios above are not comparable as the ratios for the year ended 31st March 2024 have considered the effect of the scheme of arrangement (Refer note 54).

- 49** The company stands profitable as on 31st March 2024. As per the management, the accounts are prepared on going concern basis.
- 50** These financial statements are prepared solely for the purpose of complying with the provisions of the Income Tax Act, 1961. Hence amounts in financial statements are given in full Rupees and not rounded off as per requirement as given in Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.
- 51** Additional Information as required by para 7 of General Instructions for preparation of Statement of Profit and Loss (other than already disclosed above) are either Nil or Not Applicable or have been complied with.
- 52** No proceedings have been initiated or are pending against the Company as on 31st March 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

53 Company Information

Name of the entity	Principal place of business	Proportion of ownership (either directly / indirectly through subsidiaries)	
		As at 31st March 2024	As at 31st March 2023
Subsidiary Company Genext Students Private Limited (Refer note 54)	India	0.00%	100.00%
Associate Company Carveniche Technologies Private Limited	India	46.84%	46.84%

The Subsidiary Company, Genext Students Private Limited has been merged into the Holding Company pursuant to the scheme of arrangement. Refer note 54.

- 55** As on 31st March 2024 the Company has not been declared wilful defaulter by any bank/ financial institution or other lender.
- 56** The Company does not have any transaction with companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 and hence no disclosure is required.

Navneet Futuretech Limited
(Formerly known as Esense Learning Limited)

Notes on financial statements for the year ended 31st March 2024

- 57** The Company does not have any charges or satisfaction to be registered with the registrar of companies(ROC) beyond the statutory period as at 31st March 2023.
- 58** The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- 59** The Company has not advanced any funds or loans or invested by the Company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.
- The Company has not received any funds from any person(s) or entities including foreign entities ("Funding Parties") with the understanding that such 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 guarantee, security or the like on behalf of the Ultimate beneficiaries.
- 60** The Company is not required to spend on CSR as per section 135 of the Companies Act, 2013.
- 61** The Company is not engaged in the business of trading or investing in crypto currency or virtual currency and hence no disclosure is required.
- 62** There are no transaction that are not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- 63** The Company had changed its name from 'Esense Learning Private Limited' to 'Esense Learning Limited' (conversion from private company to a public company) with effect from 27th April 2022. Further, the Company had changed its name from 'Esense Learning Limited' to 'Navneet Futuretech Limited' with effect from 17th May 2022.
- 64** Previous year figures have been regrouped / rearranged wherever necessary.

As per our report of even date attached hereto

For & On behalf of the Board of
Navneet Futuretech Limited
(Formerly known as Esense Learning Limited)

For N. A. Shah Associates LLP

Chartered Accountants

Firm Registration Number - 116560W / W100149

Sanjeev R. Shah
Managing Director
DIN: 02780274

Place: Mumbai
Date: 21st May 2024

Anil Gala
Director
DIN: 00093008

Place: Mumbai
Date: 21st May 2024

Milan Mody

Partner

Membership Number: 103286

Place: Mumbai
Date: 21st May 2024

Chetan S Lad
Company Secretary
Membership Number: A62414

Place: Mumbai
Date: 21st May 2024

Kalpesh Dedhia
Chief Financial Officer

Place: Mumbai
Date: 21st May 2024