

## INDEPENDENT AUDITOR'S REPORT

### **To the Members of**

Magic Genie Services Limited

Gurgaon

### **Report on the Financial Statements**

1. We have audited the accompanying standalone financial statements of Magic Genie Services Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone 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 Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act; safeguarding the assets of the Company; preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.



# Mahesh Aggarwal & Associates

Chartered Accountants  
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Connaught Place, New Delhi-110001.

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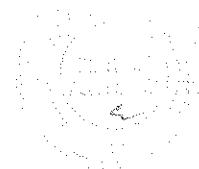
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

## Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016, and its loss and its cash flows for the year ended on that date.

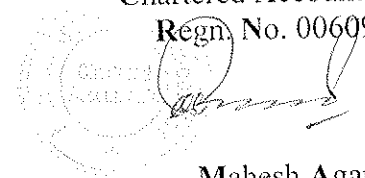
## Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) Section 143 of the Act, we give in the Annexure I, a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. 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 purpose 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;
  - c. The standalone financial statements dealt with by this report are in agreement with the books of account;
  - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
  - e. On the basis of the written representations received from the directors as on 31 March 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164(2) of the Act;
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure II"; and



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- 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 does not have any pending litigations which would impact its standalone financial position;
  - ii. the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Mahesh Aggarwal & Associates  
Chartered Accountants  
Regn. No. 006092N



Mahesh Aggarwal  
Partner  
M. No. 85013

Place: Gurgaon  
Dated:

# Mahesh Aggarwal & Associates

Chartered Accountants  
602, Rohit House, 3, Tolstoy Marg,  
Connaught Place, New Delhi-110001.

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Re: [Magic Genie Services Limited] ('the Company')

## Annexure-I

Referred to in our Independent Auditors' Report in paragraph on Report on Other Legal and Regulatory Requirements of our report of even date

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The company does not holds any immovable property, so the provision of clause of 3(i)(c) of the order is not applicable.

(ii) The company does not have inventory. Accordingly, the provision of clause 3(ii) of the Order is not applicable to the company.

(iii) The Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a) and 3(iii)(b) of the Order are not applicable.

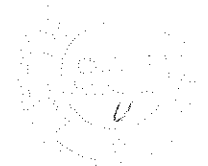
The company has not granted any loans, secured or unsecured to companies, firms or other parties covered by Section 2(76) of the 2013 Act which defines related parties in reference to companies.

(iv) In our opinion and according to the information and explanations given to us, the company has not made any loans, investment and guarantees, accordingly, the provisions of clause 3(iv) of the Order are not applicable.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

(vii)(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-



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tax, , service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues as applicable, have been regularly deposited during the year by the company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect thereof and other material statutory dues were outstanding at the year-end for a period of more than six months from the date they became payable.

- (b) There are no dues in respect of income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) The Company has no dues payable to a financial institution or a bank or debenture-holders during the year. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.
- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the company is not a Nidhi company. Accordingly, paragraph 3(xii) of the order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, private placement of shares has been made as per the provisions of Sec. 42 of the Companies Act, 2013 and the amount so raised has been utilized for the purpose for which the funds were raised.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.



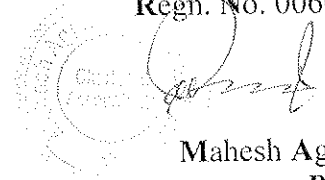
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(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Mahesh Aggarwal & Associates  
Chartered Accountants  
Regn. No. 006092N



Mahesh Aggarwal  
Partner  
M. No. 85013

Place: Gurgaon  
Dated:

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**Annexure - II to the Auditors' Report**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Magic Genie Services Limited ("the Company") as of 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

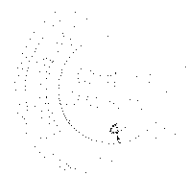
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



## **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements

## **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Mahesh Aggarwal & Associates  
Chartered Accountants  
Regn No. 006092N



**Mahesh Aggarwal**  
Partner  
M. No. 85013

Place: Gurgaon  
Dated:



MAGIC GENIE SERVICES LIMITED  
 (formerly A2Z Water Solutions Limited)  
 BALANCE SHEET AS AT MARCH 31, 2016  
 (Unless otherwise stated, all amounts are in Indian Rupees)

	Note no.	As at March 31, 2016	As at March 31, 2015
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' fund</b>			
Share capital	3	800,000	600,000
Reserves and surplus	4	(1,926,670)	(556,311)
		<u>(1,126,670)</u>	<u>43,689</u>
<b>Current liabilities</b>			
Short Term Borrowings	5	2,500,000	-
Trade payables	6	3,255,671	25,522
Other Current Liabilities	7	1,279,703	-
		<u>7,035,374</u>	<u>25,522</u>
		<u>5,908,704</u>	<u>69,211</u>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
<b>Fixed assets</b>			
Tangible assets	8	867,059	-
Intangible assets under development	9	3,147,563	-
		<u>4,014,622</u>	<u>-</u>
<b>Current assets</b>			
Trade receivables	10	580,905	-
Cash and cash equivalents	11	766,807	69,211
Short-term loans and advances	12	546,370	-
		<u>1,894,082</u>	<u>69,211</u>
		<u>5,908,704</u>	<u>69,211</u>

The accompanying notes form an integral part of the financial statements

This is the balance sheet referred to in our report of even date

For Mahesh Aggarwal & Associates  
 Chartered Accountants

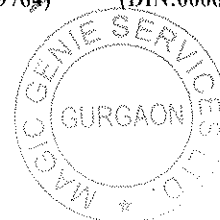
Mahesh Agarwal  
 Partner  
 M No. 85013  
 Regn No. 006092N

Place : Gurgaon  
 Dated :

For and on behalf of the Board of Directors

Sanjeev Sharma  
 Director  
 (DIN:02159764)

Manoj Gupta  
 Director  
 (DIN:00063460)



**MAGIC GENIE SERVICES LIMITED**  
(formerly A2Z Water Solutions Limited)

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016**

(Unless otherwise stated, all amounts are in Indian Rupees)

	Note no.	For the year ended March 31, 2016	For the year ended March 31, 2015
Revenue	13	2,659,429	-
Other Income	14	10	-
		<u>2,659,439</u>	<u>-</u>
<b>Expenses</b>			
Employee benefits expense	15	2,390,913	-
Other Direct Cost	16	2,268,428	-
Financial charges	17	319,071	110
Depreciation and amortisation expense	8	72,866	-
Other expenses	18	1,278,520	28,594
Total expenses		<u>6,329,798</u>	<u>28,704</u>
<b>Loss for the year before tax</b>		<b>(3,670,359)</b>	<b>(28,704)</b>
Current tax		-	-
<b>Net loss for the year after tax</b>		<b>(3,670,359)</b>	<b>(28,704)</b>
<b>Earnings per share</b> [Nominal Value of Shares Rs 10]			
Basic earning per share		(55.15)	(0.48)
Diluted earning per share		(55.15)	(0.48)
<b>Weighted average number of shares used in computing earnings per share</b>			
Basic		66,557	60,000
Diluted		66,557	60,000

The accompanying notes form an integral part of the financial statements

This is the statement of profit and loss referred to in our report of even date

For Mahesh Aggarwal & Associates  
Chartered Accountants

Mahesh Aggarwal  
Partner  
M No. 85013  
Regn No. 006092N

Place : Gurgaon  
Dated :

For and on behalf of the Board of Directors

Sanjeev Sharma  
Director  
(DIN:02159764)

Manoj Gupta  
Director  
(DIN:00063460)



MAGIC GENIE SERVICES LIMITED  
(formerly A2Z Water Solutions Limited)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2016  
(Unless otherwise stated, all amounts are in Indian Rupees)

	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>A Cash flow from / (used in) operating activities</b>		
Loss for the year before tax	(3,670,359)	(28,704)
<b>Adjustment for</b>		
Depreciation/Amortisation	72,866	-
<b>Operating profit / (loss) before working capital changes</b>	<b>(3,597,493)</b>	<b>(28,704)</b>
<b>Changes in working capital:</b>		
<b>Adjustments for increase / (decrease) in operating liabilities:</b>		
Decrease / (Increase) in Sundry debtors	(580,905)	-
(Increase) / Decrease in Loans & advances	(516,908)	-
<b>Adjustments for increase / (decrease) in operating liabilities:</b>		
Increase / (Decrease) in Other current liabilities	1,279,703	-
Increase / (Decrease) in trade payable	3,230,149	3,050
<b>Cash generated from / (used in) operations</b>	<b>(185,454)</b>	<b>(25,654)</b>
Current taxes paid (net of refunds)	(29,462)	-
<b>Net cash generated from / (used in) operating activities</b>	<b>(214,916)</b>	<b>(25,654)</b>
<b>B Cash flow from / (used in) investing activities</b>		
Purchase of fixed assets (including Capital work in progress)	(4,087,488)	-
<b>Net cash generated from / (used in) investing activities</b>	<b>(4,087,488)</b>	<b>-</b>
<b>C Cash flow from / (used in) financing activities</b>		
Proceeds from issuance of equity share capital	2,500,000	-
Proceeds from short term borrowings (Net)	2,500,000	-
<b>Net cash generated from / (used in) financing activities</b>	<b>5,000,000</b>	<b>-</b>
<b>Net increase in cash and cash equivalents ( A+B+C)</b>	<b>697,596</b>	<b>(25,654)</b>
Cash and cash equivalents at the beginning of the year	69,211	94,865
<b>Cash and cash equivalents at the end of the year</b>	<b>766,807</b>	<b>69,211</b>
<b>Components of cash and cash equivalents</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
Balance in Cash	84,646	-
Balances with banks in current accounts	682,161	69,211
	<b>766,807</b>	<b>69,211</b>

Notes: Figures in brackets indicate cash outflow.

The accompanying notes form an integral part of the financial statements

This is the statement of cash flows referred to in our report of even date

For Mahesh Aggarwal & Associates  
Chartered Accountants

Mahesh Aggarwal  
Partner  
M No. 85013  
Regn No. 006092N

Place : Gurgaon  
Dated :

For and on behalf of the Board of Directors

Sanjeev Sharma  
Director  
(DIN:02159764)

Manoj Gupta  
Director  
(DIN:00063460)



**MAGIC GENIE SERVICES LIMITED**

(formerly A2Z Water Solutions Limited)

Notes forming part of the financial statements

**Note 1: Nature of operations**

Magic Genie Services Limited (formerly A2Z Water Solutions Limited ('the Company')) is the subsidiary of A2Z Infra Engineering Limited (formerly A2Z Maintenance & Engineering Services Limited). The Company was incorporated at National Capital Territory of Delhi and Haryana on February 10, 2011. The Company is a technology based facility management service provider and provide quality Web/Application B2C services to big Corporates. The services includes Water Tank cleaning, Toilet Cleaning, Kitchen cleaning, Move in & Move out Cleaning, Pest control and Disinfection, Carpentry, Plumbing, Electrical and security Guarding and also other Guarding and also other differential services such as providing Pianist, Yogo Instructors, Fitness Trainers, Dance Teachers, Tutors, Drive Services, RO Services, AC repairs and Cooks, Waste management services i.e. Collection and segregation of Waste, Construction and maintenance of Green Toilets.

**Note 2: Statement of significant accounting policies**

a) Basis of preparation

The Financial Statements have been prepared to comply with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified). The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

b) Use of estimates

The preparation of financial statements in conformity with India GAAP requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainties about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets and liabilities in future periods.

c) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

d) Segment reporting

Since the Company's business activity falls within a single business and geographical segment i.e. Facility Management Business, there are no additional disclosures to be provided under Accounting Standard 17- 'Segment Reporting'.

e) Income taxes

Tax expense comprises of current income tax and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India. Deferred income tax reflects the impact of current year timing differences between taxable income and accounting income for the period.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

f) Earnings per share

The earnings considered in ascertaining the Company's earnings per share comprise of the net profit / (loss) after tax for the year. The number of shares used in computing the basic earnings per share is the weighted average number of shares outstanding during the year. The number of shares used in computing diluted earnings per share comprises the weighted average share considered for deriving basic earnings per share, and also the weighted average number of shares, which would have been issued on the conversion of dilutive potential equity shares, if any.

g) Provisions

A provision is recognised when the Company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

h) Cash and cash equivalents

Cash and Cash equivalents in the balance sheet comprises cash at bank and in hand and short term investments with an original maturity of three months or less.

**MAGIC GENIE SERVICES LIMITED**  
 (formerly A2Z Water Solutions Limited)  
 Notes forming part of the financial statements  
 (Unless otherwise stated, all amounts are in Indian Rupees)

**Note 3: Share capital**

	As at 31 March, 2016		As at 31 March, 2015	
	Number of shares	Amount	Number of shares	Amount
<b>Authorised</b>				
Equity shares of Rs 10 each	1,000,000	10,000,000	1,000,000	10,000,000
	<b>1,000,000</b>	<b>10,000,000</b>	<b>1,000,000</b>	<b>10,000,000</b>
<b>Issued, subscribed and fully paid up</b>				
Equity shares of Rs 10 each	80,000	800,000	60,000	600,000
	<b>80,000</b>	<b>800,000</b>	<b>60,000</b>	<b>600,000</b>

**Note 3.1: Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:**

	As at 31 March, 2016		As at 31 March, 2015	
	Number of shares	Amount	Number of shares	Amount
Equity shares of Rs 10 each fully paid up				
Opening Balance	60,000	600,000	60,000	600,000
Add: Fresh issue*	20,000	200,000	-	-
Closing Balance	<b>80,000</b>	<b>800,000</b>	<b>60,000</b>	<b>600,000</b>

\*In the financial year 2015-16, 20,000 Equity shares of Rs 10 has been allotted at a premium of Rs. 115/- per share.

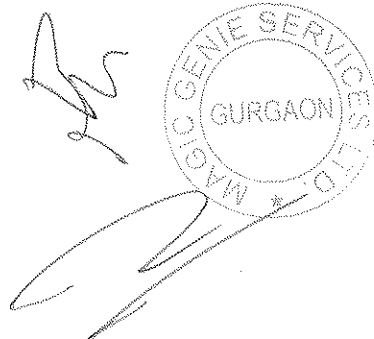
**Note 3.2:** The company has one class of equity shares having a par value of Rs 10/- per share. Each shareholder is eligible for one vote per share

**Note 3.3:** Shares held by A2Z Infra Engineering Limited (formerly A2Z Maintenance & Engineering Services Limited), the holding Company

	As at 31 March, 2016		As at 31 March, 2015	
	Number of shares	Amount	Number of shares	Amount
Equity shares of Rs 10 each fully paid up				
Opening Balance	60,000	600,000	60,000	600,000
Add: Fresh issue	-	-	-	-
Closing Balance	<b>60,000</b>	<b>600,000</b>	<b>60,000</b>	<b>600,000</b>

**Note 3.4: Details of shares held by each shareholder holding more than 5% shares:**

	As at 31 March, 2016		As at 31 March, 2015	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares of Rs 10 each fully paid up				
A2Z Infra Engineering Limited (formerly A2Z Maintenance & Engineering Services Limited)	60,000	75%	60,000	100%
Dipali Mittal	6,400	8%	-	-
Shankar Sharma	6,400	8%	-	-
Rajesh Jain	4,000	5%	-	-
	<b>76,800</b>	<b>96%</b>	<b>60,000</b>	<b>100%</b>






MAGIC GENIE SERVICES LIMITED  
(formerly AZZ Water Solutions Limited)

Notes forming part of the financial statements  
(Unless otherwise stated, all amounts are in Indian Rupees)

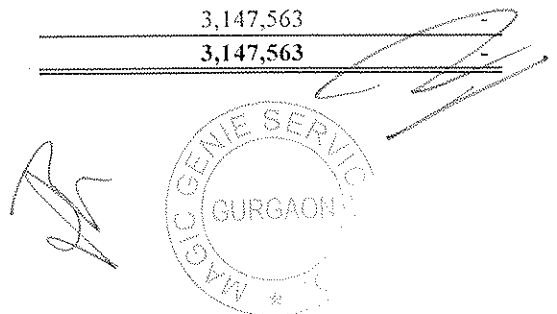
Note 8: Tangible Assets

Assets Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION/AMORTISATION			NET BLOCK		
	As at April 1, 2015	Additions	Sale / Adjustments	As at March 31, 2016	As at April 1, 2015	Depreciation for the Year	Sale / Adjustments	As at March 31, 2016	As at March 31, 2015
Tangible Assets									
Vehicles	-	710,051	-	710,051	-	64,075	-	64,075	645,976
Machinery	-	229,874	-	229,874	-	8,791	-	8,791	221,083
<b>Total</b>	-	<b>939,925</b>	-	<b>939,925</b>	-	<b>72,866</b>	-	<b>72,866</b>	<b>867,059</b>
Previous year figures	-	-	-	-	-	-	-	-	-

**MAGIC GENIE SERVICES LIMITED**  
(formerly A2Z Water Solutions Limited)  
Notes forming part of the financial statements  
(Unless otherwise stated, all amounts are in Indian Rupees)

	As at March 31, 2016	As at March 31, 2015
<b>Note 4: Reserves and surplus</b>		
<b>Surplus / (Deficit) in Statement of Profit and Loss</b>		
Balance at the beginning of the year	(556,311)	(527,607)
Add : Transferred from statement of profit and loss	(3,670,359)	(28,704)
<b>Balance at the end of the year</b>	<b>(4,226,670)</b>	<b>(556,311)</b>
<b>Securities Premium Account</b>		
Opening Balance	-	-
Add: Premium on issue of Shares	2,300,000	-
	<b>2,300,000</b>	<b>-</b>
	<b>(1,926,670)</b>	<b>(556,311)</b>
<b>Note 5: Short-term borrowings</b>		
<b>Unsecured</b>		
Loan from Fellow subsidiaries	2,500,000	-
	<b>2,500,000</b>	<b>-</b>
<b>Note 6: Trade payable</b>		
a) total outstanding dues to micro and small enterprises (Refer note 6.1)	-	-
Total outstanding dues to others	3,255,671	25,522
	<b>3,255,671</b>	<b>25,522</b>
<b>Note 6.1: Disclosures under Micro, Small and Medium Enterprises Act,</b>		
Based on the information available with the Company, there are no dues outstanding in respect of Micro, Small and Medium enterprises at the balance sheet date. No amounts were payable to such enterprises which were outstanding for more than 45 days. Further, no interest during the year has been paid or payable in respect thereof. The above disclosure has been determined to the extent such parties have been identified on the basis of information available with the Company.		
<b>Note 7: Other current liabilities</b>		
Interest accrued and due on borrowings	286,159	-
Security deposits	5,000	-
Billing in Excess of Revenue	579,406	-
Statutory remittances	409,138	-
	<b>1,279,703</b>	<b>-</b>
<b>Note 9: Intangible assets under development</b>		
Software Implementation charges	3,147,563	-
	<b>3,147,563</b>	<b>-</b>



**MAGIC GENIE SERVICES LIMITED**  
 (formerly A2Z Water Solutions Limited)

Notes forming part of the financial statements

(Unless otherwise stated, all amounts are in Indian Rupees)

**Note 10: Trade Receivables (Unsecured)**

Trade receivables outstanding for a period exceeding six months

- Considered good	-	-
- Considered doubtful	-	-
Other trade receivables	-	-
- Considered good	580,905	-
	<u>580,905</u>	<u>-</u>

**Note 11: Cash and cash equivalents**

Cash in Hand	84,646	-
Balances with banks in current accounts	682,161	69,211
	<u>766,807</u>	<u>69,211</u>

**Note 12: Short-term loans and advances (Unsecured considered good)**

Advances recoverable in cash or in kind or for value to be received

- Considered good	31,280	-
- Considered doubtful	-	-
	<u>31,280</u>	<u>-</u>

Less: Provision for doubtful advances

	-	-
	<u>31,280</u>	<u>-</u>

TDS Recoverable / Advance Tax (net)

	29,462	-
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Loan to employees	21,000	-
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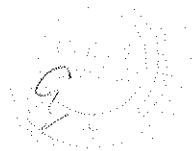
**Balances with government authorities:**

- Service tax credit receivable	464,628	-
	<u>546,370</u>	<u>-</u>



**MAGIC GENIE SERVICES LIMITED**  
 (formerly A2Z Water Solutions Limited)  
 Notes forming part of the financial statements  
 (Unless otherwise stated, all amounts are in Indian Rupees)

	For the year ended March 31, 2016	For the year ended March 31,
<b>Note 13: Income from Operations</b>		
Revenue From Operations	2,659,429	-
	<u>2,659,429</u>	<u>-</u>
<b>Note 14: Other Income</b>		
Other Income	10	-
	<u>10</u>	<u>-</u>
<b>Note.15 : Employee benefit expenses</b>		
Salaries	2,298,333	-
Staff welfare expenses	10,853	-
Contribution to provident fund and other funds	81,727	-
	<u>2,390,913</u>	<u>-</u>
<b>Note.16 : Other Direct Cost</b>		
Consumables Materials	112,194	-
Sub Contractor Expense	1,932,817	-
Other Direct Cost	223,417	-
	<u>2,268,428</u>	<u>-</u>
<b>Note 17: Finance charges</b>		
Interet on Unsecured Loan	317,955	-
Bank charges	1,116	110
	<u>319,071</u>	<u>110</u>
<b>Note 18: Other expenses</b>		
Audit fees	10,000	11,236
Fee and subscription	659,626	13,200
Insurance	19,520	-
Travelling and conveyance	184,981	-
Communication expenses	28,615	-
Business promotion	13,000	-
Miscellaneous expenses	134,283	-
Printing and stationaries	146,464	450
Legal and professional charges	82,031	3,708
	<u>1,278,520</u>	<u>28,594</u>



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**Note 19: Earnings per share (EPS)**

The calculations of earning per share are based on the (loss) and number of shares as computed below:

	For the year ended March 31, 2016	For the year ended March 31, 2015
Net loss for calculation of basic EPS	(3,670,359)	(28,704)
Net loss for calculation of diluted EPS	(3,670,359)	(28,704)
Face value of equity share	10	10
Weighted average number of equity shares used in computing basic EPS	66,557	60,000
Weighted average number of equity shares used in computing diluted EPS	66,557	60,000
Basic EPS	(55.15)	(0.48)
Diluted EPS	(55.15)	(0.48)



**MAGIC GENIE SERVICES LIMITED**  
(formerly A2Z Water Solutions Limited)  
Notes forming part of the financial statements  
(Unless otherwise stated, all amounts are in Indian Rupees)

**Note 20: Related party**

**Names of related parties**

**Holding Company**

A2Z Infra Engineering Limited (formerly, A2Z Maintenance & Engineering Services Limited)

**Fellow subsidiary Companies**

- a) A2Z Infraservices Limited
- b) A2Z Green Waste Management Limited (Formerly A2Z Infrastructure Limited)
- c) A2Z Powercom Limited
- d) A2Z Powertech Limited
- e) Mansi Bijlee & Rice Mills Limited
- f) Star Transformers Limited
- g) Chavan Rishi International Limited
- h) A2Z Maintenance & Engineering Services (Uganda) Private Limited (Till March 30, 2016)
- i) Selligence Technologies Services Private Limited
- j) A2Z Singapore Waste Management Holdings Private Limited (Till March 17, 2016)
- k) A2Z Waste Management (Nainital) Private Limited
- l) A2Z Maintenance & Engineering Services Limited and Satya Builders (Association of Person)

**Subsidiaries of A2Z Infrastructure Limited:**

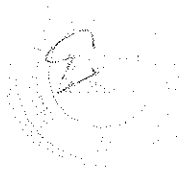
- a) A2Z Waste Management (Merrut) Limited
- b) A2Z Waste Management (Moradabad) Limited
- c) A2Z Waste Management (Varanasi) Limited
- d) A2Z Waste Management (Aligarh) Limited
- e) A2Z Waste Management (Badaun) Limited
- f) A2Z Waste Management (Balia) Limited
- g) A2Z Waste Management (Fatehpur) Limited
- h) A2Z Waste Management (Jaunpur) Limited
- i) A2Z Waste Management (Loni) Limited
- j) A2Z Waste Management (Mirzapur) Limited
- k) A2Z Waste Management (Ranchi) Limited
- l) A2Z Waste Management (Sambhal) Limited
- m) Green Waste Management Private Limited (formerly A2Z Waste Management (Haridwar) Private Limited)
- n) A2Z Waste Management (Dhanbad) Private Limited
- o) A2Z Waste Management (Ludhiana) Limited
- p) A2Z Waste Management (Jaipur) Limited
- q) A2Z Mayo SNT Waste Management (Nanded) Private Limited
- r) A2Z Waste Management (Ahmedabad) Limited
- s) Earth Environment Management Services Private Limited (with effect from June 30, 2014)
- t) Shree Balaji Pottery Private Limited (with effect from May 23, 2014)
- u) Shree Hari Om Utensils Private Limited (with effect from May 23, 2014)

**Subsidiary of A2Z Singapore Waste Management Holdings Private Limited:**

- a) A2Z Waste Management Private Limited (till January 8, 2015)

**Associate of A2Z Green Waste Management Limited (Formerly A2Z Infrastructure Limited):**

- a) A2Z Anaerobic Digestion Limited (Formerly Known as A2Z Waste Management (Basti) Limited) (Till March 31, 2016)



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MAGIC GENIE SERVICES LIMITED  
(formerly A2Z Water Solutions Limited)

Notes forming part of the financial statements  
(Unless otherwise stated, all amounts are in Indian Rupees)

Related party transactions

Particulars	2015-16		2014-15	
	Holding Company	Fellow subsidiary	Holding Company	Fellow subsidiary
<b>Services Rendered-</b>				
A2Z Infraserivices Limited	-	5,000	-	-
A2Z Infra Engineering Limited (formerly known as A2Z Maintenance & Engineering Services Limited)	-	17,261	-	-
<b>Services/Goods/Assets Received/Purchased</b>				
A2Z Infraserivices Limited	-	1,932,817	-	-
<b>Loan Taken</b>				
A2Z Infraserivices Limited	-	4,685,000	-	-
<b>Loan Repaid</b>				
A2Z Infraserivices Limited	-	2,185,000	-	-
<b>Interest Expenses</b>				
A2Z Infraserivices Limited	-	317,955	-	-
<b>Fund Received/includes expenses incurred on behalf of the company-</b>				
A2Z Infraserivices Limited	-	223,269	-	-
<b>Fund transferred/includes expenses incurred on behalf related party-</b>				
A2Z Infraserivices Limited	-	283,977	-	-
A2Z Green Waste Management Limited (formerly A2Z Infrastructure limited)	-	71,994	-	-
A2Z Infra Engineering Limited (formerly known as A2Z Maintenance & Engineering Services Limited)	342,372	-	-	-
A2Z Powercom Limited	-	47,996	-	-
<b>Balance outstanding at the end of the year</b>				
<b>Interest Outstanding on Loan</b>				
A2Z Infraserivices Limited	-	286,159	-	-
<b>Unsecured Loan</b>				
A2Z Infraserivices Limited	-	2,500,000	-	-
<b>Creditors</b>				
A2Z Infraserivices Limited	-	2,174,420	-	-

Note: In the opinion of the management, the transactions reported herein are on arms' length basis.

Note 21: Previous year's figures have been regrouped where necessary to confirm to this year's classification.

For Mahesh Aggarwal & Associates  
Chartered Accountants

Mahesh Aggarwal  
Partner  
M No. 85013  
Regn No. 006092N

Place : Gurgaon  
Dated :

For and on behalf of the Board of Directors

Sanjeev Sharma  
Director  
(DIN:02159764)

Manoj Gupta  
Director  
(DIN:00063460)

