

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

**To the Board of Directors of
Magic Genie Smartech Solutions Limited**

1. We have reviewed the accompanying Statement of Unaudited Financial Results of Magic Genie Smartech Solutions Limited ("the Company"), for the quarter and period ended 31st December, 2022 ("the Statement"), prepared by the company management, solely to assist the management of the Holding company of the Holding company in the preparation of its consolidated financial results being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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



(Signature)
Mahesh Aggarwal
Partner
M. No. 85013

Place: Gurgaon
Dated: 07.02.2023
UDIN: 23085013BGWQXX4865

Magic Genie Smartechn Solutions Limited

Balance sheet as at December 31, 2022

(Unless otherwise stated, all amounts are in INR lacs)

Particulars	Note	As at December 31, 2022	As at March 31, 2022
Assets			
Non-current assets			
Property, plant and equipment	3	0.58	0.83
Financial assets			
Other financial assets	4	0.35	0.35
Non-current tax assets (net)	5	6.62	11.13
		<u>7.55</u>	<u>12.31</u>
Current assets			
Financial assets			
Trade receivables	6	28.77	26.71
Cash and cash equivalents	7	35.70	36.05
Other financial assets	4	5.19	2.92
		<u>69.66</u>	<u>65.68</u>
Total Assets		<u><u>77.21</u></u>	<u><u>77.99</u></u>
Equity and liabilities			
Equity			
Equity share capital	8	5.00	5.00
Other equity	9	(48.97)	(41.57)
		<u>(43.97)</u>	<u>(36.57)</u>
Liabilities			
Non-current liabilities			
Provisions	10	11.35	11.35
		<u>11.35</u>	<u>11.35</u>
Current liabilities			
Financial Liabilities			
Borrowings	11	8.49	10.69
Trade payables	12		
Total outstanding dues of micro and small enterprises		0.38	0.38
Total outstanding dues of creditors other than micro and small enterprises		64.20	53.37
Other financial liabilities	13	6.58	7.18
Provisions	10	5.03	1.82
Other current liabilities	14	25.15	29.76
		<u>109.83</u>	<u>103.21</u>
Total Equity & Liabilities		<u><u>77.21</u></u>	<u><u>77.99</u></u>

See accompanying notes forming part of the financial statements
In terms of our report attached.

For Mahesh Aggarwal & Associates

Chartered Accountants
Regn No. 006092N




Mahesh Agarwal

Partner
M No. 085013

For and on behalf of the Board of Directors


Manoj Tiwari
Director
(DIN: 03597274)


Sohu Tanwar
Director
(DIN : 09193861)

Place: Gurugram

Date: 07.02.2023

UDIN: 23085013 BGWQXX4865



Magic Genie Smartech Solutions Limited
Statement of profit and loss for the period ended December 31, 2022
(Unless otherwise stated, all amounts are in INR lacs)

	Note	For the period ended December 31, 2022	For the year ended March 31, 2022
Revenue			
Revenue from operations	15	161.92	212.30
Other Income	16	-	5.68
Total income		161.92	217.97
Expenses			
Cost of material consumed	17	46.83	55.42
Employee benefit expenses	18	110.86	158.93
Finance costs	19	0.10	1.63
Depreciation and amortisation expense	20	0.25	0.34
Other expenses	21	11.39	20.41
Total expenses		169.44	236.72
Profit / (loss) before tax		(7.51)	(18.75)
Exceptional Items (Net)		-	-
Tax expense			
Current tax		-	-
Deferred tax		-	-
Profit/(loss) for the period		(7.51)	(18.75)
Other Comprehensive Income			
A i) Items that will not be reclassified to profit and loss			
a) Remeasurement of defined benefits obligation		-	0.82
ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
a) Remeasurement of defined benefits obligation		-	-
B i) Items that will be reclassified to profit or loss		-	-
ii) Income tax relating to items that will be reclassified to profit or loss		-	-
		-	0.82
Total Comprehensive Income for the period		(7.51)	(17.93)
Profit / (Loss) per equity share	22		
Basic (In INR)		(15.02)	(37.50)
Diluted (In INR)		(15.02)	(37.50)

See accompanying notes forming part of the financial statements


In terms of our report attached.

For **Mahesh Aggarwal & Associates**
Chartered Accountants
Regy No. 086092N



Mahesh Agarwal
Partner
M No. 085013

For and on behalf of the Board of Directors


Manoj Tiwari
Director
(DIN: 03597274)


Sonu Tanwar
Director
(DIN: 09193861)



Place: Gurugram
Date: 07.02.2023

UDIN: 23085013B6WQxx4865

Magic Genie Smartech Solutions Limited
 Statement of changes in equity for the period ended December 31, 2022
 (Unless otherwise stated, all amounts are in INR lacs)

A	Notes	Number of shares		Amount	
Equity share capital					
Issued, subscribed and fully paid up					
Equity Shares of INR 10 each					
	8	50,000		5.00	
		-		-	
		50,000		5.00	
Balance as at December 31, 2022					
B Other Equity					
	9		(41.57)	(41.57)	
			(7.51)	(7.51)	
			-	-	
		0.11		0.11	
		0.11	(49.08)	(48.97)	

See accompanying notes forming part of the financial statements.
 In terms of our report attached.

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

 Mahesh Aggarwal
 Partner
 M No. 085013

For and on behalf of the board of directors


 Manoj Tiwari
 Director
 (DIN: 03597274)


 Sonu Tanwar
 Director
 (DIN: 09193861)

Place: Gurugram
 Date: 07.02.2023

UDIN: 23085013 B6WQXX4865



Magic Genie Smartech Solutions Limited

Notes forming part of the financial statements for the period ended December 31, 2022

(Unless otherwise stated, all amounts are in INR lacs)

Note 1: Nature of Operations

Magic Genie Smartech Solutions Limited is a wholly owned subsidiary of A2Z Waste management(Ludhiana) Limited. The company was incorporated on June 24 2016 in the state of Haryana.

The Company's main business primarily would include Door to door collection, intermediate transportation, and Engineering sanitary land fill in Haldwani, Uttarakhand.

Note 2: Significant Accounting Policies

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

The financial statements have been prepared on a historical cost basis, except for the certain assets and liabilities which have been measured at different basis and such basis has been disclosed in relevant accounting policy.

The financial statements are presented in INR and all values are rounded to the nearest lacs, except when otherwise indicated.

2.2 Foreign Currency Transactions:

The Company's financial statements are presented in INR lacs, which is also the functional currency of the Company.

Foreign currency transactions are translated into the functional currency of the Company, using the exchange rates prevailing at the dates of the transactions (spot exchange rate).

Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items denominated in foreign currency at year-end exchange rates are recognised in the Statement of Profit and Loss.

Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements shall be recognised in Statement of Profit and Loss in the period in which they arise. When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss shall be recognised in other comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognised in Statement of Profit and Loss, any exchange component of that gain or loss shall be recognised in the Statement of Profit and Loss.

The financial statements of an integral foreign operation are translated as if the transactions of the foreign operation have been those of the Company itself.

2.3 Segment Reporting

The Company is operating into following segments – (i) Municipal Solid Waste Management (MSW) and (ii) Others represents trading of goods.

2.4 Business segments

Operating Segments are identified based on financial information that is regularly reviewed by the chief operating decision maker (CODM) in deciding how to allocate resources and in assessing performance. The primary reporting of the Company has been performed on the basis of business segment. Segments have been identified and reported based on the nature of the products, the risks and returns, the organization structure and the internal financial reporting systems. The Company is operating into following segments – (i) Municipal Solid Waste Management (MSW) and (ii) Others represents trading of goods.

2.5 Revenue

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for those goods or services.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

2.5.1 Interest Income:

Interest is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

2.5.2 Other Income:

Other income is recognised when no significant uncertainty as to its determination or realisation exists.



Magic Genie Smartech Solutions Limited

Notes forming part of the financial statements for the period ended December 31, 2022

(Unless otherwise stated, all amounts are in INR lacs)

2.6 Borrowing Costs

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowing are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying assets are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

2.7 Other Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

All finite-lived intangible assets, including capitalised internally developed software, are accounted for using the cost model whereby capitalised costs are amortised on a straight-line basis over their estimated useful lives. Residual values and useful lives are reviewed at each reporting date. In addition, they are subject to impairment testing as described in Note 2.9. The following useful lives are applied:

- Software: 3-5 years

Amortisation has been included within depreciation, amortisation and impairment of nonfinancial assets.

Subsequent expenditures on the maintenance of computer software is expensed as incurred.

When an intangible asset is disposed of, the gain or loss on disposal is determined as the difference between the proceeds and the carrying amount of the asset, and is recognised in profit or loss within other income or other expenses.

2.8 Property, plant and equipment

Property, plant and equipment (comprising fittings and furniture) are initially recognised at acquisition cost or manufacturing cost, including any costs directly attributable to bringing the assets to the location and condition necessary for them to be capable of operating in the manner intended by the Company's management

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses.

Depreciation is recognised on a straight-line basis to write down the cost less estimated residual value of Property, plant and equipment. The following useful lives are applied:

- Buildings : 3-60 years
- Plant and Equipment : 8-15 years
- Furniture and Fixtures : 8-10 years
- Vehicles : 6-10 years
- Office Equipment : 5 years
- Computers : 3-6 years

Material residual value estimates and estimates of useful life are updated as required, but at least annually.

Gains or losses arising on the disposal of Property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss within other income or other expenses.

2.9 Leased Assets

2.9.1 Finance leases

Management applies judgment in considering the substance of a lease agreement and whether it transfers substantially all the risks and rewards incidental to ownership of the leased asset. Key factors considered include the length of the lease term in relation to the economic life of the asset, the present value of the minimum lease payments in relation to the asset's fair value, and whether the Company obtains ownership of the asset at the end of the lease term.

For leases of land and buildings, the minimum lease payments are first allocated to each component based on the relative fair values of the respective lease interests. Each component is then evaluated separately for possible treatment as a finance lease, taking into consideration the fact that land normally has an indefinite economic life.

See Note 2.8 for the depreciation methods and useful lives for assets held under finance leases.

The interest element of lease payments is charged to profit or loss, as finance costs over the period of the lease.

2.9.2 Operating leases

All other leases are treated as operating leases. Where the Company is a lessee, payments on operating lease agreements are recognised as an expense on a straight-line basis over the lease term. Associated costs, such as maintenance and insurance, are expensed as incurred.



2.10 Impairment testing of goodwill, other intangible assets and property, plant and equipment

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. Goodwill is allocated to those cash-generating units that are expected to benefit from synergies of a related business combination and represent the lowest level within the Company at which management monitors goodwill.

Cash-generating units to which goodwill has been allocated (determined by the Company's management as equivalent to its operating segments) are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's (or cash-generating unit's) carrying amount exceeds its recoverable amount, which is the higher of fair value less costs of disposal and value-in-use. To determine the value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Company's latest approved budget, adjusted as necessary to exclude the effects of future reorganisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect current market assessments of the time value of money and asset-specific risk factors.

Impairment losses for cash-generating units reduce first the carrying amount of any goodwill allocated to that cash-generating unit. Any remaining impairment loss is charged pro rata to the other assets in the cash-generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

2.11 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

2.11.1 Initial recognition and measurement of financial instruments:

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. The company currently have security deposits, investment in preference shares of subsidiary companies, trade receivables, loans etc.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and subsequently all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

2.11.2 Classification and Subsequent measurement of financial assets:

Financial assets are classified as subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL).

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL :

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met and it is not designated as at FVTPL:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are classified as measured at FVTPL. The Bank may designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise. The Bank has not applied fair value designation option for any financial assets.

2.11.3 Impairment of financial assets:

In accordance with Ind AS 109, the Company applies expected credit loss [ECL] model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g. security deposits
- Financial assets that are available for sale.
- Trade receivables or any contractual right to receive cash or another financial asset

The Company follows 'simplified approach' for recognition of impairment loss allowance on Point c provided above.

The application of simplified approach require the company to recognise the impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.



The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive [i.e., all cash shortfalls], discounted at the original EIR. ECL impairment loss allowance [or reversal] recognized during the period is recognized as income/ expense in the Statement of Profit and Loss under the head 'other expenses'. The balance sheet presentation for various financial instruments is described below :

Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance reducing the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics.

2.11.4 Classification and subsequent measurement of financial liabilities:

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied for liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to the Statement of Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through Statement of Profit and Loss.

Loans and borrowings:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

2.11.5 Reclassification of financial instruments:

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses [including impairment gains or losses] or interest. The Company did not reclassify any financial assets in the current period.

2.11.6 Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.12 Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw Materials, Packing Material and Stores & Spare Parts: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first-in-first-out basis.
- Finished Goods and Work-in-Progress: Cost includes cost of direct materials, labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on first-in-first-out basis.
- Stock-in-Trade: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first-in-first-out basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.13 Income Taxes

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income taxes are calculated using the liability method.

Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.



2.14 Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments maturing within 90 days from the date of acquisition that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

2.15 Equity, reserves and dividend payments

Share capital represents the nominal (par) value of shares that have been issued.

Share premium includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits.

Other components of equity include the following:

- Remeasurement of net defined benefit liability - Comprises the actuarial losses from changes in demographic and financial assumptions and the return on plan assets (see Note 2.15)
- Retained earnings includes all current and prior period retained profits and share-based employee remuneration. All transactions with owners of the parent are recorded separately within equity. Dividend distributions payable to equity shareholders are included in other liabilities when the dividends have been approved in a general meeting prior to the reporting date.

2.16 Post-employment benefits and short-term employee benefits

Post-employment benefit plans

The Company provides post-employment benefits through various defined contribution and defined benefit plans.

Defined Contribution Plans :

Retirement benefits in the form of provident fund and employee state insurance are defined contribution schemes and the contributions are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due.

Defined Benefit Plans :

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets, are recognised immediately in the Balance Sheet with a corresponding debit or credit to Retained Earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Leave Liability:

The employees of the Company are entitled to leave as per the leave policy of the Company. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long term employee benefit for measurement purposes. Such long term compensated absences are provided for based on actuarial valuation using the projected unit credit method at the year end. Actuarial gains/losses should be recognized in Statement of Profit and Loss.

Short-term employee benefits

Short-term employee benefits, including holiday entitlement, are current liabilities included in pension and other employee obligations, measured at the undiscounted amount that the Company expects to pay as a result of the unused entitlement.

2.17 Provisions, contingent assets and contingent liabilities

Provisions for product warranties, legal disputes, onerous contracts or other claims are recognised when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required from the Company and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that the Company is virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

No liability is recognised if an outflow of economic resources as a result of present obligations is not probable. Such situations are disclosed as contingent liabilities unless the outflow of resources is remote.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate which reflects the current market assessment of time value of money. Government bond rate can be used as discount rate, as it is a riskfree pre-tax rate reflecting the time value of money. For this purpose, the discount rate should also be reassessed at the end of each reporting period, including the interim reporting date, if any.

2.18 Significant management judgement in applying accounting policies and estimation uncertainty

Recognition of service revenues :

Determining when to recognise revenues from after-sales services requires an understanding of both the nature and timing of the services provided and the customers' pattern of consumption of those services, based on historical experience and knowledge of the market. (see Note 2.5).

Recognition of deferred tax assets :

The extent to which deferred tax assets can be recognised is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry-forwards can be utilised. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions (see Note 2.13).



2.19 Estimation Uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Impairment of non-financial assets and goodwill

In assessing impairment, management estimates the recoverable amount of each asset or cash generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate (see Note 2.10).

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain software and IT equipment.

Fair value measurement

Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

2.20 Leases

The Company has adopted Ind AS 116-Leases effective 1st April, 2019, using the modified retrospective method. The Company has applied the standard to its leases with the cumulative impact recognised on the date of initial application (1st April, 2019). Accordingly, previous period information has not been restated. The Company assesses whether a contract is or contains a lease, at inception of a contract.

The Company as lessee

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Company recognises the lease payments as an operating expense over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made. A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

The Company as lessor

i) Operating lease

Rental income from operating leases is recognised in the Statement of Profit and Loss on a straight line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset is diminished. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.



ii) Finance lease

When assets are leased out under a finance lease, the present value of the minimum lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method before tax, which reflects a constant periodic rate of return.



3 Property, plant and equipment

Particulars	Furniture & Fixtures	Vehicles	Office Equipments	Total
Gross Block				
At 1st April 2022	0.12	1.29	0.90	2.31
Additions	-	-	-	-
Disposals	-	-	-	-
Other adjustments	-	-	-	-
At 31 December,2022	0.12	1.29	0.90	2.31
Accumulated Depreciation				
At 1st April 2022	0.04	0.91	0.54	1.48
Depreciation for the year	0.01	0.14	0.10	0.25
Disposals	-	-	-	-
At 31 December,2022	0.05	1.05	0.64	1.73
At 31 December,2022	0.08	0.24	0.26	0.58
Gross Block				
At 1st April 2021	0.12	1.29	0.90	2.31
Additions	-	-	-	-
Disposals	-	-	-	-
Other adjustments	-	-	-	-
At 31 March 2022	0.12	1.29	0.90	2.31
Accumulated Depreciation				
At 1st April 2021	0.03	0.71	0.41	1.15
Depreciation for the year	0.01	0.19	0.13	0.34
Disposals	-	-	-	-
At 31 March 2022	0.04	0.91	0.54	1.48
Net Carrying Value as at 31 March 2022	0.08	0.38	0.36	0.83







Magic Genie Smartech Solutions Limited

Notes forming part of the financial statements for the period ended December 31, 2022

(Unless otherwise stated, all amounts are in INR lacs)

Particulars	As at December 31, 2022	As at March 31, 2022
4 Other financial asset		
Non-Current		
Bank deposits with more than 12 months maturity	0.35	0.35
	<u>0.35</u>	<u>0.35</u>
Current		
Interest accrued on fixed deposits	1.47	1.47
Advance recoverable in cash	3.72	1.06
Advance recoverable from group companies	-	0.39
	<u>5.19</u>	<u>2.92</u>
	<u>5.54</u>	<u>3.27</u>
5 Non-current tax assets (net)		
Advance tax	9.10	13.61
Less : Provision for taxation	(2.48)	(2.48)
	<u>6.62</u>	<u>11.13</u>
6 Trade receivables (unsecured)		
Considered good	28.77	26.71
	<u>28.77</u>	<u>26.71</u>
7 Cash and cash equivalents		
Balances with banks - in current accounts	35.64	35.69
Cash on hand	0.06	0.36
	<u>35.70</u>	<u>36.05</u>

2



[Handwritten signature]



Magic Genie Smartech Solutions Limited

Notes forming part of the financial statements for the period ended December 31, 2022

(Unless otherwise stated, all amounts are in INR lacs)

9 Other Equity

ESOP reserve

Opening balance

Add: Transfer from statement of profit and loss

Closing balance

0.11

0.11

Retained earning

Opening balance

Addition during the year

Add: Other comprehensive income

Closing balance

(41.57) (23.64)

(7.51) (18.75)

0.82

(49.08) (41.57)

Total other equity

(48.97) (41.57)

10 Long-term provisions

Non-Current

Provision for Gratuity

11.35 11.35

11.35 11.35

Current

Provision for Gratuity

3.19 0.15

Provision for Leave Encashment

1.84 1.67

5.03 1.82

Total

16.38 13.17

11 Borrowings

Unsecured

Unsecured Loan from group company

8.49 9.49

Unsecured Loan from others

1.20

8.49 10.69

Borrowings	Maturity Date	Interest Rate / Coupon Rate	Terms of Repayment	As at December 31, 2022	As at March 31, 2022
Unsecured					
Loan from Fellow Group Company	On Demand	10.75%-14.00%	On Demand	8.49	9.49
Loan from others					1.20
				8.49	10.69

12 Trade payables

Other than acceptances: total outstanding dues of micro and small

0.38 0.38

Other than acceptances: total outstanding dues of creditors other than micro and small enterprises

64.20 53.37

64.58 53.75

*Details of dues to micro and small enterprises as per

- principal amount

0.38 0.38

- interest amount

The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.

The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.

The amount of interest accrued and remaining unpaid at the end of each accounting year; and

The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006

All the trade payables are short term. The carrying value of trade payables are considered to be the reasonable approximation of fair value.



Magic Genie Smartech Solutions Limited

Notes forming part of the financial statements for the period ended December 31, 2022

(Unless otherwise stated, all amounts are in INR lacs)

13 Other financial liabilities

Interest accrued and due on borrowings from others	4.52	5.26
Interest accrued and due on group company	1.40	1.40
Audit fee payable	0.66	0.53
	<u>6.58</u>	<u>7.18</u>

14 Other liabilities

Current

Statutory dues payable	25.15	29.76
	<u>25.15</u>	<u>29.76</u>









Magic Genie Smartech Solutions Limited
Notes forming part of the financial statements for the period ended December 31, 2022
(Unless otherwise stated, all amounts are in INR Lacs)

Note 8 : Share Capital

	As at December 31, 2022		As at March 31, 2022	
	Number of shares	Amount	Number of shares	Amount
Authorised				
Equity shares of Rs 10 each	1,00,000	10.00	1,00,000	10.00
	1,00,000	10.00	1,00,000	10.00
Issued, subscribed and fully paid up				
Equity shares of Rs 10 each	50,000	5.00	50,000	5.00
	50,000	5.00	50,000	5.00

Note 8.1: Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

	As at December 31, 2022		As at March 31, 2022	
	Number of shares	Amount	Number of shares	Amount
Equity shares of Rs 10 each fully paid up				
Opening balance	50,000	5.00	50,000	5.00
Add: Fresh issue	-	-	-	-
Shares bought back during the year	-	-	-	-
Closing balance	50,000	5.00	50,000	5.00

Note 8.2: Terms and rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share and also are entitled to receive dividend after preference shares. The Company declares and pays dividend in Indian Rupees. In the events of liquidation of the Company, the holder of equity share will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Note 8.3: Detail of shares held by A2Z Waste Management (Ludhiana) Limited, the holding Company

	As at December 31, 2022		As at March 31, 2022	
	Number of shares	Amount	Number of shares	Amount
Equity shares of Rs 10 each fully paid up				
Opening balance	50,000	5.00	50,000	5.00
Add: Fresh issue	-	-	-	-
Closing balance	50,000	5.00	50,000	5.00

Note 8.4: Details of shareholders holding more than 5% shares in the Company

	As at December 31, 2022		As at March 31, 2022	
	Number of shares held	% of holding	Number of shares held	% of holding
Equity shares of Rs 10 each fully paid up				
A2Z Waste Management (Ludhiana) Limited	50,000	100%	50,000	100%
	50,000	100%	50,000	100%

Note 8.5: Shares held by promoters at the end of the year

Promoter name	No. of shares held	% of holding	% Change during the year
A2Z Waste Management (Ludhiana) Limited	50,000	100%	



[Handwritten signature]



Magic Genie Smartech Solutions Limited

Notes forming part of the financial statements for the period ended December 31, 2022
(Unless otherwise stated, all amounts are in INR lacs)

Particulars	For the period ended December 31, 2022	For the year ended March 31, 2022
15 Revenue from operations		
Rendering of services	161.92	212.30
Total revenue from operations	161.92	212.30
16 Other income		
Interest income:		
- on fixed deposits	-	0.96
- on group company	-	3.09
Interest income on income tax refund	-	1.20
Liabilities written back	-	0.42
	-	5.68
17 Cost of material consumed		
Fuel charges	43.15	47.89
Power Consumed	-	-
Material consumed	43.15	47.89
Loading and Unloading Charges	0.33	2.08
Stores and spares	1.17	1.09
Site expenditure	2.18	4.36
	46.83	55.42
18 Employee Benefits Expense		
Salaries and bonus including directors' remuneration	92.95	134.34
Contribution to provident and other funds	10.72	15.14
ESOP expense	0.11	-
Gratuity expenses	3.03	4.05
Staff welfare expenses	3.87	5.17
Compensated absences benefits	0.17	0.23
	110.86	158.93



[Handwritten Signature]

Magic Genie Smartech Solutions Limited

Notes forming part of the financial statements for the period ended December 31, 2022

(Unless otherwise stated, all amounts are in INR lacs)

19 Finance costs

Interest		
-on group company	-	0.44
-on others	0.08	1.14
Other borrowing costs:		
- Bank charges	0.02	0.05
	0.10	1.63

20 Depreciation

Depreciation & Amortization Expense	0.25	0.34
	0.25	0.34

21 Other expenses

Electricity	-	0.09
Rent	1.44	2.29
Repair and maintenance		
- Vehicle	6.40	10.38
Travelling and conveyance	0.86	2.10
Printing and stationery	-	0.02
Legal and professional	2.54	3.31
Insurance expenses	-	2.05
As auditor :		
- Statutory audit fee	0.13	0.18
Miscellaneous expenses	0.02	-
	11.39	20.41

22 Earning per share (EPS)

Both Basic and diluted earning per share have been calculated using the profit attributable to shareholders of the Company as the numerator, i.e. no adjustments to profit were necessary in 2023 & 2022.

The reconciliation of the weighted average number of shares for the purpose of diluted earnings per share to the Weighted average number of ordinary shares used in the calculation of the basis earnings per share is as follows:

Particulars	For the period	For the year
	ended December 31, 2022	ended March 31, 2022
Weighted average number of shares used in basic earning per share	50,000	50,000
Shares deemed to be issued for no consideration in respect of share-based payments		
Weighted average number of shares used in diluted earning per share	50,000	50,000

The numerators and denominators used to calculate the basic and diluted earnings per share are as follows:

Profit Attributable to shareholders	INR lacs	(7.51)	(18.75)
Basis and Weighted average number of Equity shares outstanding during the year	Numbers	50,000	50,000
Nominal Value of equity share	INR	10.00	10.00
Basis & Diluted EPS (in Rs.)	INR	(15.02)	(37.50)



(Signature)