

Adani Tracks Management
Services Private Limited

Financial Statements for the
FY 2021-22

Independent Auditor's Report

To the Members of Adani Tracks Management Services Private Limited

Report on the audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **Adani Tracks Management Services Private Limited (Formerly known as Sarguja Rail Corridor Private Limited)** ("the Company"), which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements, read with Emphasis of Matter paragraph, give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, the Profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. 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.

Emphasis of Matter

We would like to draw attention to Note 37 of Notes forming part of the Financial Statements in connection with effect given in the books of accounts Pursuant to the Composite Scheme of Arrangement approved by NCLT vide order dated January 27, 2022, according to which, Mundra Rail Business ("Divestment Business Undertaking") of Adani Ports and Special Economic Zone Limited was transferred on slump sale basis to the company with appointed date of April 02, 2021.

Our Report is not modified in respect of the above matter.

Other Information

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Independent Auditor's Report (Continued)
To the Members of Adani Tracks Management Services Private Limited

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone 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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the applicable Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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 Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Independent Auditor's Report (Continued)
To the Members of Adani Tracks Management Services Private Limited

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss, the Statement Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;



Independent Auditor's Report (Continued)
To the Members of Adani Tracks Management Services Private Limited

- d. In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e. On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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 B';
- 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:
 - A. The Company does not have any pending litigations which would impact its financial position;
 - B. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - C. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - D. (i) The management of the company has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (ii) The management of the company has represented that, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - (iii) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
- E. The company has not declared or paid any dividend during the year.



Independent Auditor's Report (Continued)
To the Members of Adani Tracks Management Services Private Limited

F. The Ministry of Corporate Affairs (MCA) has amended the Rule 3 of Companies (Accounts) rules, 2014 by way of notification dated 31st March, 2022. Accordingly requirement to have accounting software with a feature of recording audit trail is extended till 1st April, 2023. Therefore, nothing is required to be reported under this para for the year under review.

3. With respect to the matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

According to the information and explanations given to us and on the basis of our examination of the records of the Company, managerial remuneration has not been paid /provided except for Director Sitting Fees. Accordingly, reporting under section 197(16) of the Act is not applicable.

Place: Ahmedabad
Date: 24 May 2022

For, **SHAH DHANDHARIA & CO LLP**
Chartered Accountants
Firm Reg. No: 118707W/W100724

Shubham Rohatgi
Partner
Membership No. 183083
UDIN - 22183083ALNMAE7235



Annexure - A to the Independent Auditor's Report
RE: Adani Tracks Management Services Private Limited

(Referred to in Paragraph 1 of our Report of even date)

The Annexure referred to in our Independent Auditor's Report to the members of the Company on the Standalone Financial Statements for the year ended 31st March, 2022, we report that:

- (i) a) In our opinion and according to the information and explanation given to us and the records produced to us for our verification, the company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- b) In our opinion and according to the information and explanation given to us and the records produced to us for our verification the company has maintained proper records showing full particulars of intangible assets (including Right of Use Assets).
- c) In our opinion and according to the information and explanation given to us and the records produced to us for our verification, the Company has a regular programme of physical verification of its Property, Plant and Equipment's by which all Property, Plant and Equipments are verified by the management in a phased manner. In accordance with this programme, certain Property, Plant and Equipment were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- d) In our opinion and according to the information and explanation given to us and the records produced to us for our verification, there are no immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) held by the company.
- e) According to the information and explanation given to us and the records produced to us for our verification, the company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Accordingly, the provision of paragraph 3(i)(e) of the Order are not applicable.
- f) According to the information and explanation given to us and the records produced to us for our verification, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) a) According to the information and explanation given to us and the records produced to us for our verification, the Company has a regular programme of physical verification of its inventory (Stores and Spares). In our opinion, the coverage and procedure of verification by management is appropriate. The discrepancies noticed on verification between the physical stock and the book records were not material and have been appropriately dealt with in the books of accounts.
- b) According to the information and explanation given to us and the records produced to us for our verification, the company has not taken any working capital limits in excess of five crore rupees from Bank or financial institution. Accordingly the provisions of paragraph 3 (ii) (b) of the Order are not applicable.



Annexure - A to the Independent Auditor's Report (Continued)
RE: Adani Tracks Management Services Private Limited

(Referred to in Paragraph 1 of our Report of even date)

- (iii) In respect of Investments made, guarantees provided, security given, loans and advances in the nature of loans
- a) According to the information and explanation given to us and the records produced to us for our verification, the company has provided loans to companies disclosed in the table below. The company has not provided any guarantees and granted loans, to firms, Limited Liability Partnerships or any other parties. Further, the company has not given any advance in the nature of loans to any party during the year.

(INR in Lacs)

Particulars	Loans
Aggregate amount granted during the year	
- Subsidiaries	-
- Joint Ventures	-
- Associates	-
- Others	1,45,819.04
Balance Outstanding as at the Balance Sheet date in respect of above cases	
- Subsidiaries	-
- Joint Ventures	-
- Associates	-
- Others	66,957.77

- b) According to the information and explanation given to us and based on the audit procedures conducted by us, in our opinion, investments made, guarantees provided and securities given are, prima facie, not prejudicial to the company's interest.
- c) According to the information and explanation given to us and on the basis of our examination of the records of the company, in our opinion, the schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations. The company has not given any advance in the nature of loans to any party during the year.
- d) According to the information and explanation given to us and on the basis of our examination of the records of the company, there is no amount overdue for more than ninety days in respect of loans given.
- e) According to the information and explanation given to us and on the basis of our examination of the records of the company, there were no loans granted which has fallen due during the year, which have been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
- f) According to the information and explanation given to us and on the basis of our examination of the records of the company, the company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.



Annexure - A to the Independent Auditor's Report (Continued)

RE: Adani Tracks Management Services Private Limited

(Referred to in Paragraph 1 of our Report of even date)

- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, given any guarantees or provided any securities to the parties covered under Section 185 of the Act. Accordingly, compliance under Section 185 of the Act is not applicable to the Company. According to the information and explanations given to us, the Company is engaged in the business of providing infrastructural facilities and accordingly the provisions of Section 186 (except subsection (1) of Section 186) of the Act are not applicable to the Company. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 (1) of the Act in respect of loans given.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- (vi) According to the information and explanations given to us, the maintenance of cost records as prescribed by the Central Government under section 148(1) of the Act are not applicable to the company for the year under review.
- (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 income tax, Goods and Service Tax, provident fund and other material statutory dues have generally been deposited regularly during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance, duty of customs and duty of excise.
- According to the information and explanations given to us, no undisputed amounts payable in respect of statutory dues as referred above were in arrears as at 31st March, 2022 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, there are no statutory dues as referred in sub clause(a) as at 31st March 2022, which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us and based on our examination of the records of the Company, the company has not surrendered or disclosed any transactions as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, the provisions of clause 3(viii) of the Order are not applicable to the Company.
- (ix) a) According to the information and explanations given to us and based on our examination of the records of the Company, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender. However Interest payable on loan from Related Party has been converted and added to the loan balance as per the terms of the agreement.



Annexure - A to the Independent Auditor's Report (Continued)

RE: Adani Tracks Management Services Private Limited

(Referred to in Paragraph 1 of our Report of even date)

- b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or any other lender.
 - c) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised term loans during the year.
 - d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
 - e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
 - f) According to the information and explanations given to us and based on our examination of the records of the Company, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) a) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of clause 3(x)(a) of the Order are not applicable to the Company
- b) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not made any preferential allotment or private placement or not issued any fully or partly convertible debenture during the year under review. Accordingly, the provisions of paragraph 3(x)(b) of the Order are not applicable.
- (xi) a) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practice in India, and according to the information and explanation given to us, we have neither come across any instance of fraud by the company or on the company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.
- b) No report on any matter under sub-section (12) of section 143 of the Companies Act has been filed by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, the provisions of Clauses 3 (xii) (a) to (c) of the Order are not applicable.



Annexure - A to the Independent Auditor's Report (Continued)

RE: Adani Tracks Management Services Private Limited

(Referred to in Paragraph 1 of our Report of even date)

- (xiii) As per information and explanation given to us and on the basis of our examination of the records of the Company, all the transaction with related parties are in compliance with section 177 and 188 of Companies Act 2013, wherever applicable, and all the details have been disclosed in Standalone Financial Statements as required by the applicable Indian Accounting Standards.
- (xiv) a) According to the information and explanations given to us and on the basis of our examination of the records, we are of the opinion that the company has an internal audit system commensurate with the size and nature of its business.
- b) We have considered the internal audit reports of the company issued till date, for the year under audit.
- (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 any non-cash transactions, within the meaning of Section 192 of the Act, with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- (xvi) a) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.
- b) According to the information and explanations given to us and based on our examination of the records of the Company the company has not conducted any Non-Banking Financial or Housing Finance activities. Accordingly, paragraph 3(xvi)(b) of the Order is not applicable to the Company.
- c) In our opinion and according to the information and explanations given to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the provisions of paragraph 3(xvi) (c) & (d) of the Order is not applicable to the Company.
- (xvii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not incurred any cash losses during the current financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period one year from the balance sheet date, will get discharged by the company as and when they fall due.

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SHAH DHANDHARIA & CO LLP
CHARTERED ACCOUNTANTS
(LLPIN - AAW-6528)



Annexure - A to the Independent Auditor's Report (Continued)

RE: Adani Tracks Management Services Private Limited

(Referred to in Paragraph 1 of our Report of even date)

- (xx) There are no unspent amounts towards Corporate Social Responsibility (CSR) requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) and (b) of the Order is not applicable for the year.

Place: Ahmedabad
Date: 24 May 2022

For, **SHAH DHANDHARIA & CO LLP**
Chartered Accountants
Firm Reg. No: 118707W/W100724

Shubham Rohatgi
Partner
Membership No. 183083
UDIN - 22183083ALNMAE7235



Annexure – B to the Independent Auditor’s Report
RE: Adani Tracks Management Services Private Limited

(Referred to in Paragraph 2(f) of our Report of even date)

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of section 143 of the Companies Act 2013 (the act).

Opinion

We have audited the internal financial controls over financial reporting of **Adani Tracks Management Services Private Limited** (“the Company”) as of 31st March, 2022 in conjunction with our audit of the Standalone Financial Statements of the company for the year ended on that date.

In our opinion the company has, in all material aspects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022, 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.

Management’s Responsibilities 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 Standalone Financial Statements, whether due to fraud or error.

Annexure – B to the Independent Auditor’s Report (Continued)
RE: Adani Tracks Management Services Private Limited

(Referred to in Paragraph 2(f) of our Report of even date)

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 authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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.

Place: Ahmedabad
Date: 24 May 2022

For, **SHAH DHANDHARIA & CO LLP**
Chartered Accountants
Firm Reg. No: 118707W/W100724

Shubham Rohatgi
Partner
Membership No. 183083
UDIN - 22183083ALNMAE7235

ADANI TRACKS MANAGEMENT SERVICES PRIVATE LIMITED

(Formerly known as Sarguja Rail Corridor Private Limited)

Balance Sheet as at 31 March 2022

		(Rs. in Lacs)	
	Notes	As at 31-Mar-2022	As at 31-Mar-2021
ASSETS			
(I) Non-Current Assets			
(a) Property, Plant and Equipment	3	133,145.86	118,777.03
(b) Right Of Use Assets	3	17,607.73	16,135.56
(c) Capital Work-In-Progress	4	9,041.18	5,009.22
(d) Other Intangible Assets	3	-	-
(e) Financial Assets			
(i) Other Financial Asset	5	459.27	455.85
(f) Deferred Tax Asset	30	1,935.69	5,154.46
(g) Other Non-current Assets	6	1,725.24	959.53
		163,914.97	146,491.65
(II) Current Assets			
(a) Inventories - Stores and Spares		272.59	211.27
(b) Financial Assets			
(i) Investments	7	-	11,249.99
(ii) Trade Receivables	8	11,631.00	10,006.22
(iii) Cash & cash Equivalents	9	27.65	2,047.10
(iv) Bank Balances other than (iii) above	10	510.99	20,038.36
(v) Loans	11	66,972.31	19,999.99
(vi) Other Financial Assets	12	26,078.49	3,094.98
(c) Other Current Assets	13	217.47	360.05
		105,710.50	67,007.96
Total Assets		269,625.47	213,499.62
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	14	20,000.20	20,000.00
(b) Other Equity		70,612.52	27,158.43
Total Equity		90,612.72	47,158.43
LIABILITIES			
(I) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	62,896.24	55,251.57
(ii) Non Current Lease Liabilities	16	5,540.25	2,953.74
(b) Provisions	17	26.58	22.91
		68,463.07	58,228.22
(II) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	102,879.64	103,920.98
(ii) Trade Payables	19		
- Total outstanding dues to micro and small enterprises		182.34	99.25
- Total outstanding dues other than micro and small enterprises		2,846.78	1,034.74
(iii) Other Financial Liabilities	20	2,865.01	1,616.18
(iv) Current Lease Liabilities	21	293.35	272.28
(b) Other Current Liabilities	22	1,217.79	946.14
(c) Income Tax Liabilities (net)		260.84	217.47
(d) Provisions	23	3.93	5.93
		110,549.68	108,112.97
Total Equity and Liabilities		269,625.47	213,499.62

The accompanying notes are an integral part of these financial statements.

As per our report of even date
For **Shah Dhandharia & Co LLP**
Chartered Accountants
Firm Registration Number : 118707W / W100724

For and on behalf of the board of directors of
Adani Tracks Management Services Pvt. Ltd.
(Formerly known as Sarguja Rail Corridor Pvt. Ltd.)

Shubham Rohatgi
Partner
Membership No. 183083

Sajal Mitra
Managing Director
DIN: 02625510

Dilip Kumar Jha
Director
DIN : 06829315

Place : Ahmedabad
Date : 24-May-2022

Akhil Kumar Jain
Company Secretary
Membership No : A61202

ADANI TRACKS MANAGEMENT SERVICES PRIVATE LIMITED

(Formerly known as Sarguja Rail Corridor Private Limited)

Statement of Profit and Loss for the year ended on 31 March 2022

		(Rs. in Lacs)	
	Notes	For the year ended 31-Mar-2022	For the year ended 31-Mar-2021
Income			
Revenue from Operations	24	94,000.06	45,230.50
Other Income	25	7,304.67	3,852.28
Total Income		101,304.73	49,082.78
Expenses			
Operating Expenses	26	21,218.52	2,365.38
Employee Benefits Expense	27	726.10	239.71
Finance Costs	28	12,984.17	15,600.01
Depreciation and Amortisation Expense	3	14,576.02	11,444.17
Other Expenses	29	2,684.80	2,861.40
Total Expenses		52,189.61	32,510.67
Profit / (Loss) Before Exceptional items and Tax		49,115.12	16,572.11
Add/(Less) : Exceptional items		(1,199.97)	(869.45)
Profit / (Loss) After Exceptional Items & Before Tax		47,915.15	15,702.66
Tax Expense			
Current Tax		8,464.89	2,837.70
Deferred Tax (including MAT)		3,261.32	(1,670.87)
Adjustment of Earlier Years		(93.25)	61.67
Total Tax Expenses		11,632.96	1,228.50
Profit / (Loss) For The Year		36,282.19	14,474.16
Other Comprehensive Income			
- Item that will be reclassified to Profit & Loss account		-	-
- Item that will not be reclassified to Profit & Loss account			
(a) Remeasurement of post employee benefit obligation		(1.78)	1.36
(b) Income tax relating to these items		(0.46)	(0.48)
Total Other Comprehensive Income / (Loss)		(2.24)	0.88
Total Comprehensive Income for the Year		36,279.95	14,475.04
Earning per Equity Share of Rs.10 each			
Basic		18.14	7.24
Diluted		18.14	7.24

The accompanying notes are an integral part of these financial statements.

As per our report of even date
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ADANI TRACKS MANAGEMENT SERVICES PRIVATE LIMITED

(Formerly known as Sarguja Rail Corridor Private Limited)

Statement of Changes in Equity for the year ended on 31 March 2022

A. Equity Share Capital

Particulars	No. of Shares	(Rs. in Lacs)
		Amount
As at 01-April-2020	200,000,000	20,000.00
Changes in the Equity Share Capital	-	-
As at 31-March-2021	200,000,000	20,000.00
Changes in the Equity Share Capital on account of Scheme of Arrangement	1,983	0.20
As at 31-March-2022	200,001,983	20,000.20

B. Other Equity

Particulars	Reserves and Surplus			(Rs. in Lacs)
	Retained Earnings	Capital Reserve	Securities Premium	Total
Balance as at 1st April 2020	11,276.89	-	1,406.50	12,683.39
Profit for the year	14,474.16	-	-	14,474.16
Other Comprehensive Income / (Loss)	0.88	-	-	0.88
Total Comprehensive Income	14,475.04	-	-	14,475.04
As at 31-March-2021	25,751.93	-	1,406.50	27,158.43
Balance as at 1st April 2021	25,751.93	-	1,406.50	27,158.43
Capital Reserve on account of Scheme of Arrangement	-	7,169.54	-	7,169.54
Addition on account of Scheme of Arrangement	(0.20)	-	4.80	4.60
Profit for the year	36,282.19	-	-	36,282.19
Other Comprehensive Income / (Loss)	(2.24)	-	-	(2.24)
Total Comprehensive Income	36,279.95	-	-	36,279.95
As at 31-March-2022	62,031.68	7,169.54	1,411.30	70,612.52

Note :**a) Retained Earnings**

The portion of profits not distributed among the shareholders are termed as retained earnings. The Company may utilize the retained earnings for making investments for future growth and expansion plans, for the purpose of generating higher returns for the shareholders or for any other specified purpose.

b) Capital Reserve

The capital reserve was created as per Composite Scheme of Arrangement among Sarguja Rail Corridor Private Limited and Brahmi Tracks Management Services Private Limited and Adani Tracks Management Services Private Limited and Adani Ports and Special Economic Zone Limited and the respective shareholders and creditors under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder approved by National Company Law Tribunal ("NCLT") Bench at Ahmedabad vide its order dated 27th January, 2022. Hence, the same is not considered as a free reserve for the purpose of distribution of dividends.

c) Securities Premium

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

As per our report of even date
For **Shah Dhandharia & Co LLP**
Chartered Accountants
Firm Registration Number : 118707W / W100724

For and on behalf of the board of directors of
Adani Tracks Management Services Pvt. Ltd.
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Sajal Mittra
Managing Director
DIN: 02625510

Dilip Kumar Jha
Director
DIN : 06829315

Place : Ahmedabad
Date : 24-May-2022

Akhil Kumar Jain
Company Secretary
Membership No : A61202

ADANI TRACKS MANAGEMENT SERVICES PRIVATE LIMITED
(Formerly known as Sarguja Rail Corridor Private Limited)
Statement of Cash Flows for the year ended on 31 March 2022

	(Rs. in Lacs)	
	For the year ended 31-Mar-2022	For the year ended 31-Mar-2021
I. CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) Before Tax	47,915.15	15,702.66
Adjustment on account of :		
Depreciation and Amortisation Expense	14,576.02	11,444.17
Finance Costs	12,984.17	15,600.01
Interest Income	(5,499.59)	(3,381.52)
Liability no longer required written back	(42.13)	(14.41)
Dividend Income from Mutual Funds	(17.24)	(203.56)
Bad Debts / Provision for Doubtful Debts, Loans & Advances	0.02	-
Operating Profit / (Loss) Before Working Capital Changes	69,916.40	39,147.35
Movements in Working Capital :		
Decrease / (Increase) in Inventories	(61.32)	(23.36)
Decrease / (Increase) in Trade Receivables	(1,624.79)	(421.22)
Decrease / (Increase) in Loans	(14.53)	-
Decrease / (Increase) in Other Current Financial Assets	(25,321.87)	(64.23)
Decrease / (Increase) in Other Current Assets	142.58	(16.34)
Decrease / (Increase) in Other Non Current Financial Assets	(3.42)	0.40
Decrease / (Increase) in Other Non Current Assets	200.69	14.92
Increase / (Decrease) in Trade Payables	1,937.25	(13.21)
Increase / (Decrease) in Provisions	(0.10)	3.20
Increase / (Decrease) in Other Current Financial Liabilities	36.46	(360.91)
Increase / (Decrease) in Other Current Liabilities	271.65	367.39
Cash from / (Used in) Operations	45,479.00	38,633.99
Less : Direct Taxes Paid / (Received)	8,371.28	2,575.47
Net Cash From / (Used in) Operating Activities	37,107.72	36,058.52
II. CASH FLOW FROM INVESTING ACTIVITIES		
Interest Received	7,837.95	1,129.34
Capital Expenditure on Property, Plant & Equipments (after adjustment of increase/decrease of CWIP, Capital Creditors and Advances)	(24,470.44)	(1,793.68)
Investment In Other Bank Deposit (Net)	19,527.37	(8,130.28)
Loans (given to) / received back (Net)	(46,957.77)	-
Purchase / Sale of Current Investment (Net)	11,267.24	(11,046.44)
Net Cash From / (Used in) Investing Activities	(32,795.65)	(19,841.05)
III. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds From Issuance of Share Capital on Account of Scheme of Arrangement	5.00	-
Proceeds From Long term Borrowings	65,396.24	57,324.82
Repayment Of Long term Borrowings	(57,751.57)	(64,802.35)
Proceeds / (Repayment) from Current Borrowings (Net)	(1,041.34)	77.47
Finance Cost Paid	(12,470.61)	(15,716.00)
Payment on account of Lease Liability	(469.24)	(272.98)
Net Cash From / (Used in) Financing Activities	(6,331.52)	(23,389.03)
Net Increase / (Decrease) in Cash & Cash Equivalents	(2,019.45)	(7,171.56)
Cash & Cash Equivalents at the beginning of the year	2,047.10	9,218.66
Cash & Cash Equivalents at the end of the year	27.65	2,047.10

ADANI TRACKS MANAGEMENT SERVICES PRIVATE LIMITED

(Formerly known as Sarguja Rail Corridor Private Limited)

Statement of Cash Flows for the year ended on 31 March 2022**Notes to Statement of Cash Flow:**

(i) Reconciliation of Cash and cash equivalents with the Balance Sheet: (Rs. in Lacs)

Particulars	As at	As at
	31-Mar-2022	31-Mar-2021
Cash and cash equivalents as per Balance Sheet (Refer note 9)	27.65	2,047.10

(ii) The statement of cash flow has been prepared under the 'Indirect Method' set out in Ind AS 7 'Statement of Cash Flows'.

(ii) Disclosure of changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

As at 31st March, 2022 :

(Rs. in Lacs)

Particulars	As at 31st March, 2021	Cash Flows	Non Cash Changes	As at 31st March, 2022
Non - Current borrowings	55,251.57	7,644.66	-	62,896.24
Current borrowings	103,920.98	(1,041.35)	-	102,879.64
Total	159,172.56	6,603.32	-	165,775.88

As at 31st March, 2021 :

(Rs. in Lacs)

Particulars	As at 31st March, 2020	Cash Flows	Non Cash Changes	As at 31st March, 2021
Non - Current borrowings	165,877.79	(110,626.22)	-	55,251.57
Current borrowings	694.82	103,226.16	-	103,920.98
Total	166,572.61	(7,400.05)	-	159,172.56

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

As per our report of even date
For **Shah Dhandharia & Co LLP**
Chartered Accountants
Firm Registration Number : 118707W / W100724

For and on behalf of the board of directors of
Adani Tracks Management Services Pvt. Ltd.
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Shubham Rohatgi
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Sajal Mitra
Managing Director
DIN: 02625510

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Director
DIN : 06829315

Place : Ahmedabad
Date : 24-May-2022

Akhil Kumar Jain
Company Secretary
Membership No : A61202

ADANI TRACKS MANAGEMENT SERVICES PRIVATE LIMITED

(Formerly known as Sarguja Rail Corridor Private Limited)

Notes to Financial Statements for the year ended 31 March 2022

1 Corporate Information

Adani Tracks Management Services Private Limited (Formerly known as Sarguja Rail Corridor Private Limited) (ATMSPL) is a Company incorporated under the Companies Act, 1956.

Various coal blocks in Hasdeo-Arand coal-fields viz. Parsa East, Kanta Basan, Parsa, Gidhmuri Pathuria, Kente Extension etc are devoid of Railway Infrastructure. ATMSPL is undertaking development, construction, operation and maintenance of North Railway Corridor to cater to transportation of coal from these coal blocks of Hasdeo-Arand coal-fields to the nearest railway siding of Indian Railway i.e. Surajpur Station.

A Composite Scheme of Arrangement was filed by Sarguja Rail Corridor Private Limited ("the Company") and Brahmi Tracks Management Services Private Limited ("Brahmi") and Adani Tracks Management Services Private Limited ("Adani Tracks") and Adani Ports and Special Economic Zone Limited ("Adani Ports") and the respective shareholders and creditors (the 'Scheme') under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder ("the Act").

Hon'ble National Company Law Tribunal, Ahmedabad Bench has approved the Scheme vide order dated January 27, 2022.

Pursuant to the Scheme, Adani Tracks Management Services Private Limited got merged into Sarguja Rail Corridor Private Limited. Further, Mundra Rail Business ("Divestment Business Undertaking") of the Adani Ports was transferred on slump sale basis to Adani Tracks Management Services Private Limited (formerly known as Sarguja Rail Corridor Private Limited) with appointed date of April 02, 2021 and name of Sarguja Rail Corridor Private Limited has changed to Adani Tracks Management Services Private Limited with effect from 01st April 2022.

2 Significant Accounting Policies

a) Basis of preparation and presentation of financial statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

These financial statements have been prepared and presented under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values by Ind AS. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the market participants at the measurement date.

The financial statements are presented in INR except when otherwise stated.

Current & Non-Current Classification :

Any asset or liability is classified as current if it satisfies any of the following conditions:

- (i) The asset/liability is expected to be realized/settled in the Company's normal operating cycle;
- (ii) The asset is intended for sale or consumption;
- (iii) The asset/liability is held primarily for the purpose of trading;
- (iv) The asset/liability is expected to be realized/settled within twelve months after the reporting period;
- (v) The asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- (vi) In the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

b) Use of Estimates and Judgements

The preparation of financial statements in conformity with Ind AS requires management to make certain estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities (including contingent liabilities) and the accompanying disclosures. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and differences between the actual results and the estimates are recognised in the periods in which the results are known / materialized.

Significant Estimates and assumptions are required in particular for:

i) Useful life of property, plant and equipments and intangible assets:

Determination of the estimated useful life of property, plant and equipments and intangible assets and the assessment as to which components of the cost may be capitalized. Useful life of these assets is based on the life prescribed in Schedule II to the Companies Act, 2013 or based on technical estimates, taking into account the nature of the asset, estimated usage, expected residual values and operating conditions of the asset.

ADANI TRACKS MANAGEMENT SERVICES PRIVATE LIMITED

(Formerly known as Sarguja Rail Corridor Private Limited)

Notes to Financial Statements for the year ended 31 March 2022

ii) Recognition of deferred tax assets:

A deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. The management assumes that taxable profits will be available while recognising deferred tax assets.

iii) Determination of lease term & discount rate :

Ind AS 116 Leases requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of lease and the importance of the underlying to the Company's operations taking into account the location of the underlying asset and the availability of the suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

iv) Recognition and measurement of other provisions :

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.

v) Defined benefit plans (Gratuity benefits) :

The obligation arising from the defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and life expectancy.

c) Cash And Cash Equivalents (for purposes of Cash Flow Statement)

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

d) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

e) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

The specific recognition criteria from various stream of revenue is described below:

(i) Rendering of Services

Revenue from services rendered is recognised as per terms of the agreements, as and when work is performed.

(ii) Interest Income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(iii) Profit or Loss on Sale of Investment

Profit or Loss on sale of investment is recognised on the contract date.

Contract Assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. The same is disclosed as "Unbilled Revenue" under Other Current Financial Assets.

Trade Receivable

A receivable represents the Company's right to an amount of consideration that is unconditional i.e. only the passage of time is required before payment of consideration is due.

ADANI TRACKS MANAGEMENT SERVICES PRIVATE LIMITED

(Formerly known as Sarguja Rail Corridor Private Limited)

Notes to Financial Statements for the year ended 31 March 2022

Contract Liability

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognised as revenue when the Company performs under the contract. The same is disclosed as "Advance from Customers" under Other Current Liabilities.

f) Property, Plant & Equipments

Recognition and Measurement

Property, Plant and Equipments, including Capital Work in Progress, are stated at cost of acquisition or construction less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price (net of tax credits, wherever applicable), import duty and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use.

Subsequent Measurement

Subsequent expenditure related to an item of Property, Plant and Equipment are included in its carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Subsequent costs are depreciated over the residual life of the respective assets. All other expenses on existing Property, Plant and Equipments, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Capital Work in Progress

Expenditure related to and incurred during implementation of capital projects to get the assets ready for intended use is included under "Capital Work in Progress". The same is allocated to the respective items of property plant and equipment on completion of construction/ erection of the capital project/ property plant and equipment. The cost of asset not put to use before the year and capital inventory are disclosed under Capital work in progress.

Depreciation

Depreciation is provided using straight-line method as specified in Schedule II to the Companies Act, 2013. Depreciation on assets acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition / disposal.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from continued use of the asset. Any gain or loss arising on the disposal or retirement of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the assets and is recognised in Statement of Profit and Loss.

g) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses. The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Intangible assets are amortized on straight line basis over their estimated useful lives as follows:

Intangible Assets	Estimated Useful Life (Years)
Software	5 Years based on management estimate

h) 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. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

For purposes of subsequent measurement, financial assets and liabilities are classified in various categories as under.

- > at amortised cost
- > fair value through other comprehensive income
- > fair value through profit and loss account

ADANI TRACKS MANAGEMENT SERVICES PRIVATE LIMITED

(Formerly known as Sarguja Rail Corridor Private Limited)

Notes to Financial Statements for the year ended 31 March 2022

Financial instruments are subsequently measured and accounted based on their category. All financial instruments of the Company are covered under Amortised Cost. After initial measurement, such financial assets and liabilities are subsequently measured using the effective interest rate (EIR) method. 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 in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Derecognition of Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- a) The rights to receive cash flows from the asset have expired, or
- b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement

Impairment of Financial Assets

The Company applies simplified approach model for measurement and recognition of impairment loss on the financial assets and credit risk exposure.

Under the simplified approach the Company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime expected credit losses (ECL) at each reporting date, right from its initial recognition.

Derecognition of Financial Liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

i) Employee Benefits

Employee benefits includes salary, wages, gratuity, compensated absences and contribution to provident fund.

i) Short Term Employees Benefits

A liability is recognised for benefits accruing to employees in respect of salaries and wages at the undiscounted amount of the benefits expected to be paid wholly within twelve months of rendering the service.

ii) Post Employment Benefits

Defined Contribution Plans

Retirement benefits in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

Defined Benefit Plans

The Company operates a defined benefit gratuity plan. The cost of providing benefits under the defined benefit plan is determined based on actuarial valuation, carried out by an independent actuary, using the projected unit credit method.

Re-measurements comprising of actuarial gains and losses 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.

The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss in the line item "Employee Benefits Expense":

- > Service cost including current service cost, past service cost, gains and losses on curtailments and non-routine settlements; and
- > Net interest expense or income

For the purpose of presentation of defined benefit plans, the allocation between short term and long term provisions has been made as determined by an actuary.

iii) Other Long Term Employee Benefits

Other long term employee benefits comprise of compensated absences/leaves. The Company allocates accumulated leaves between short term and long term liability based on actuarial valuation as at the end of the period. The actuarial valuation is done as per projected unit credit method.

- iv) For the purpose of presentation of defined benefit plans and other long term benefits, the allocation between current and non-current provisions has been made as determined by an actuary.

j) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

ADANI TRACKS MANAGEMENT SERVICES PRIVATE LIMITED

(Formerly known as Sarguja Rail Corridor Private Limited)

Notes to Financial Statements for the year ended 31 March 2022

k) Segment Accounting

In accordance with Companies (Indian Accounting Standard) Rules, 2015 (as amended), the company has determined its business segment as Railway Transport Services. Since, there are no other business segments in which the company operates, there are no other primary reportable segments. Further since the company's services are limited to the operation of allocated mine, it operates in a single geographical segment. Therefore, the segment revenue, results, segment assets, segment liabilities, total cost incurred to acquire segment assets, depreciation charge are all as reflected in the financial statements.

l) Related Party Transactions

Disclosure of transactions with Related Parties, as required by Ind AS 24 "Related Party disclosures" has been set out in a separate note. Related Parties as defined under clause 9 of the Ind AS 24 have been identified on the basis of representation made by management and information available with the Company.

m) Leases

The Company assesses whether a contract contains a lease, at the inception of the contract. 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 identified asset; (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of lease and (iii) the Company has right to direct the use of the asset.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located, less any lease incentives received.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease payments have been classified as financing activities in Statement of Cash Flow.

The Company has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of less than or equal to 12 months with no purchase option and assets with low value leases. The Company recognises the lease payments associated with these leases as an expense in statement of profit and loss over the lease term. The related cash flows are classified as operating activities.

n) Earnings Per Share

The Basic EPS has been computed by dividing the income available to equity shareholders by the weighted average number of equity shares outstanding during the accounting year. The Diluted EPS has been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding at the end of the year.

o) Taxes on Income

Tax expense comprises of current income tax and deferred tax.

i) Current Taxation

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date where the Company operates and generates taxable income.

Current tax items, relating to items recognised outside the statement of profit and loss, are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. Provision for current tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemption in accordance with the Income Tax Act, 1961.

ADANI TRACKS MANAGEMENT SERVICES PRIVATE LIMITED

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Notes to Financial Statements for the year ended 31 March 2022

Current tax assets and liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

ii) Deferred Taxation

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent it is probable that these assets can be realised in future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are offset where a legally enforceable right exists to offset current tax assets and liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax includes MAT tax credit. The Company reviews such tax credit asset at each reporting date to assess its recoverability.

p) Inventories

- i) Inventories are valued at lower of cost or net realisable value.
- ii) Cost of inventories have been computed to include all costs of purchases, cost of conversion, all non-refundable duties & taxes and other costs incurred in bringing the inventories to their present location and condition.
- iii) The basis of determining cost for various categories of inventories are as follows:

Stores and Spares	Weighted Average Cost
-------------------	-----------------------
- iv) Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated cost necessary to make the sale. Necessary adjustment for shortage / excess stock is given based on the available evidence and past experience of the Company.

q) Impairment of Non-Financial Asset

The carrying amount of assets is reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated.

The impairment loss is recognised whenever the carrying amount of an asset or its cash generation unit exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in the use which is determined based on the estimated future cash flow discounted to their present values. All impairment losses are recognised in the Statement of Profit and Loss.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount and is recognised in the Statement of Profit and Loss.

r) Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is possible that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are not recognised in the financial statements. The nature of such assets and an estimate of its financial effect are disclosed in notes to the Financial Statements.

ADANI TRACKS MANAGEMENT SERVICES PRIVATE LIMITED

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Notes to Financial Statements for the year ended 31 March 2022

3 Property, Plant & Equipments & Intangible Assets

(Rs. in Lacs)

Particulars	Property, Plant & Equipments										Intangible Assets		Grand Total
	Land (Free Hold)	ROU Lease Land	Building	Plant & Machinery	Office Equipment	Computer Hardware	Furniture & Fixture	Electrical Installation	Vehicles	Total	Computer Software	Total	
A. Year Ended 31 March 2021													
Gross Carrying Value as at 01-Apr-20													
Opening Gross Carrying Amount	212.53	18,021.60	2,888.06	138,258.39	40.82	18.00	11.41	10,390.25	8.16	169,849.22	0.40	0.40	169,849.62
Addition during the Year	-	41.71	-	140.72	1.53	1.97	-	9.24	-	195.17	-	-	195.17
Transfer During the Year	-	-	-	-	-	-	-	-	-	-	-	-	-
Deduction during the Year	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing Gross Carrying Value as at 31-Mar-21	212.53	18,063.31	2,888.06	138,399.11	42.35	19.97	11.41	10,399.49	8.16	170,044.39	0.40	0.40	170,044.79
Accumulated Depreciation as at 01-Apr-20													
Opening Accumulated Depreciation	-	1,312.88	515.88	19,433.93	26.90	15.90	3.18	2,375.79	3.17	23,687.63	0.40	0.40	23,688.03
Depreciation during the year	-	614.86	206.50	9,502.62	5.89	1.83	1.30	1,110.11	1.06	11,444.17	-	-	11,444.17
Transfer During the Year	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing Accumulated Depreciation as at 31-Mar-21	-	1,927.74	722.38	28,936.55	32.79	17.73	4.48	3,485.90	4.23	35,131.80	0.40	0.40	35,132.20
Net Carrying Amount as at 31-Mar-21	212.53	16,135.57	2,165.68	109,462.56	9.56	2.24	6.93	6,913.59	3.93	134,912.59	-	-	134,912.58
B. Period Ended 31 March 2022													
Gross Carrying Value as at 01-Apr-21													
Opening Gross Carrying Amount	212.53	18,063.31	2,888.06	138,399.11	42.35	19.97	11.41	10,399.49	8.16	170,044.39	0.40	0.40	170,044.79
Gross Carrying Amt. Transfer on account of Scheme of Arrangement	-	2,508.87	12,746.56	33,371.03	0.95	-	25.81	-	-	48,653.22	1.08	1.08	48,654.30
Addition during the Year	-	34.75	561.19	1,805.92	127.81	8.29	-	2.45	7.23	2,547.64	-	-	2,547.64
Transfer During the Year	-	-	-	-	-	-	-	-	-	-	-	-	-
Deduction during the Year	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing Gross Carrying Value as at 31-Mar-22	212.53	20,606.93	16,195.81	173,576.06	171.11	28.26	37.22	10,401.94	15.39	221,245.25	1.48	1.48	221,246.73
Accumulated Depreciation as at 01-Apr-21													
Opening Accumulated Depreciation	-	1,927.74	722.38	28,936.55	32.79	17.73	4.48	3,485.90	4.23	35,131.80	0.40	0.40	35,132.20
Accumulated Depre. Transfer on account of Scheme of Arrangement	-	302.57	2,903.32	17,568.40	0.73	-	11.96	-	-	20,786.98	1.08	1.08	20,788.06
Depreciation During the Year	-	768.88	716.05	11,952.90	17.92	1.46	3.72	1,110.76	1.19	14,572.88	-	-	14,572.88
Transfer During the Year	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing Accumulated Depreciation as at 31-Mar-22	-	2,999.19	4,341.75	58,457.85	51.44	19.19	20.16	4,596.66	5.42	70,491.66	1.48	1.48	70,493.14
Net Carrying Amount as at 31-Mar-22	212.53	17,607.74	11,854.06	115,118.21	119.67	9.07	17.06	5,805.28	9.97	150,753.59	-	-	150,753.59

ADANI TRACKS MANAGEMENT SERVICES PRIVATE LIMITED

(Formerly known as Sarguja Rail Corridor Private Limited)

Notes to Financial Statements for the year ended 31 March 2022

4 Capital Work-In-Progress

	(Rs. in Lacs)	
	As at 31-Mar-2022	As at 31-Mar-2021
Capital Work-In-Progress	8,096.09	4,142.57
Capital Inventory	945.08	866.65
	9,041.17	5,009.22

(a) Capital-work-in progress ageing schedule:

(Rs. in Lacs)

Particulars	Amount in CWIP for a period of				Total
	<1 year	1-2 years	2-3 years	> 3 years	
As at 31st March, 2022					
- Projects in progress	5,907.10	597.02	167.37	2,369.68	9,041.17
- Projects temporarily suspended	-	-	-	-	-
Total	5,907.10	597.02	167.37	2,369.68	9,041.17
As at 31st March, 2021					
- Projects in progress	1,948.53	177.42	2,829.05	54.21	5,009.22
- Projects temporarily suspended	-	-	-	-	-
Total	1,948.53	177.42	2,829.05	54.21	5,009.22

5 Other Non Current Financial Assets

(Unsecured, Considered Good)

	(Rs. in Lacs)	
	As at 31-Mar-2022	As at 31-Mar-2021
Security Deposits	459.27	455.85
	459.27	455.85

6 Other Non Current Assets

(Unsecured, Considered Good)

	(Rs. in Lacs)	
	As at 31-Mar-2022	As at 31-Mar-2021
Capital Advances	1,022.57	56.16
Balances with Government Authorities	34.42	220.18
Prepaid Expenses	668.26	683.19
	1,725.25	959.53

7 Current Investments

	(Rs. in Lacs)	
	As at 31-Mar-2022	As at 31-Mar-2021
Investment in Unquoted Mutual Funds		
NIL (31st March, 2021: 1,07,471.834) Units in Baroda - Liquid Fund Plan A Growth of ₹ 1000/- each	-	11,249.99
	-	11,249.99
Aggregate value of quoted investments	-	-
Aggregate value of unquoted investments	-	11,249.99

ADANI TRACKS MANAGEMENT SERVICES PRIVATE LIMITED

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Notes to Financial Statements for the year ended 31 March 2022

8 Trade Receivables

	(Rs. in Lacs)	
	As at 31-Mar-2022	As at 31-Mar-2021
Unsecured, Considered good	11,631.00	10,006.22
	11,631.00	10,006.22

(for dues from the related party, refer note 34)

Note :

The Company is having its major receivables against services to Rajasthan Raja Vidyut Utpadan Nigam Limited (RVUNL) which is a Government undertaking with credit period of 30 days. The Company is regularly receiving its dues from RVUNL and in case of delayed payment, the company is entitled to receive interest as per the terms of agreement. Hence the company's receivables are secured from credit losses in future.

Balance as on 31-Mar-2022

Sr No	Particulars	Outstanding for following periods from due date of receipt						Total
		Not due	Less than 6 months	6 Months - 1 year	1-2 Years	2-3 Years	More than 3 years	
1	Undisputed Trade receivables - Considered good	7,614.79	2,221.29	446.11	272.73	73.49	43.43	10,671.83
2	Undisputed Trade receivables - which have significant increase in risk							-
3	Undisputed Trade receivables - credit impaired							-
4	Disputed Trade receivables - Considered good						959.17	959.17
5	Disputed Trade receivables - which have significant increase in risk							-
6	Disputed Trade receivables - credit impaired							-
	Total	7,614.79	2,221.29	446.11	272.73	73.49	1,002.60	11,631.00

Balance as on 31-Mar-2021

Sr No	Particulars	Outstanding for following periods from due date of receipt						Total
		Not due	Less than 6 months	6 Months - 1 year	1-2 Years	2-3 Years	More than 3 years	
1	Undisputed Trade receivables - Considered good	8,805.30	241.76	-	-	-	-	9,047.05
2	Undisputed Trade receivables - which have significant increase in risk							-
3	Undisputed Trade receivables - credit impaired							-
4	Disputed Trade receivables - Considered good					252.77	706.40	959.17
5	Disputed Trade receivables - which have significant increase in risk							-
6	Disputed Trade receivables - credit impaired							-
	Total	8,805.30	241.76	-	-	252.77	706.40	10,006.22

Current year figures includes figures pertaining to railway business undertaking of APSEZ as merged with the company pursuant to the scheme of arrangement, hence the same are not comparable with the previous year ageing.

9 Cash & cash equivalents

	(Rs. in Lacs)	
	As at 31-Mar-2022	As at 31-Mar-2021
Balances with banks		
- In Current Account	27.65	2,047.10
	27.65	2,047.10

ADANI TRACKS MANAGEMENT SERVICES PRIVATE LIMITED

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Notes to Financial Statements for the year ended 31 March 2022

10 Bank Balances (Other than Cash & Cash Equivalents)

	(Rs. in Lacs)	
	As at 31-Mar-2022	As at 31-Mar-2021
- Fixed Deposit (Due Between 3 and 12 Months)	0.99	7,535.29
- Margin Deposit (lodged against Bank Guarantee)	510.00	559.30
- Margin Deposit against Borrowings	-	11,943.77
	510.99	20,038.36

11 Current Loans

	(Rs. in Lacs)	
	As at 31-Mar-2022	As at 31-Mar-2021
Secured Loans		
Loan to Non Related Party	66,957.77	-
Unsecured Loans		
Loan to Other Related Party	-	20,000.00
Loans to Employees	14.53	-
	66,972.30	19,999.99

(for dues from the related party, refer note 34)

(i) Loans to Non Related Party include inter-corporate deposits aggregating Rs. 66,957.77 Lacs (previous year NIL) to third parties. These deposits are given at prevailing market interest rates. The inter-corporate deposits have been approved by the Board of Directors of the company.

Repayment of loans given to these parties along with interest thereon have been guaranteed by way of undertaking obtained from one of the promoter owned entity, a related party, to pay the dues in the event of default by the said company .

12 Other Current Financial Assets

(Unsecured, Considered good)

	(Rs. in Lacs)	
	As at 31-Mar-2022	As at 31-Mar-2021
Unbilled Receivable	122.69	64.23
Interest Accrued but Not Due Receivable	10.48	2,348.83
Other Recoverable	25,945.32	-
Security Deposits	-	681.92
	26,078.49	3,094.98

(for Other Recoverable from the related party, refer note 34)

13 Other Current Assets

(Unsecured, Considered good)

	(Rs. in Lacs)	
	As at 31-Mar-2022	As at 31-Mar-2021
Advance against expenses	71.57	48.49
Employee Advances	3.05	1.15
Balances with Government Authorities (CENVAT Receivable)	75.04	152.58
Prepaid Expenses	67.81	152.26
Other Receivables	-	5.57
	217.47	360.05

15 Non-Current Borrowings

	(Rs. in Lacs)	
	As at 31-Mar-2022	As at 31-Mar-2021
Unsecured Loan		
Loan from Related Party	62,896.24	55,251.57
	62,896.24	55,251.57

(for dues to related party, refer note 34)

(i) Unsecured Loan from Holding Company is in the nature of demand loan and carries an interest rate of 8.75% p.a.

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Notes to Financial Statements for the year ended 31 March 2022

14 Share Capital

Particulars	(Rs. in Lacs)	
	As at 31-Mar-2022	As at 31-Mar-2021
Authorised shares		
20,50,50,000 Equity Shares of Rs. 10/- each (As on 31.03.2021 20,50,00,000 Equity Shares of Rs. 10/- each)	20,505.00	20,500.00
Issued, subscribed fully paid-up shares		
20,00,01,983 Equity Shares of Rs. 10/- each (As on 31.03.2021 20,00,00,000 Equity Shares of Rs. 10/- each)	20,000.20	20,000.00
	20,000.20	20,000.00

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity shares	As at 31-Mar-2022		As at 31-Mar-2021	
	Numbers	(Rs. in Lacs)	Numbers	(Rs. in Lacs)
At the beginning of the year	200,000,000	20,000.00	200,000,000	20,000.00
Issued during the year on account of scheme of arrangement	1,983	0.20	-	-
Outstanding at the end of the year	200,001,983	20,000.20	200,000,000	20,000.00

b. Terms/ 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 shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the no. of equity shares held by the shareholders. The company declares and pays dividends in Indian rupees. The dividend if proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

c. Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates

Out of equity shares issued by the company, shares held by its holding company together with its nominees are as below :

Equity Shares	As at 31-Mar-2022		As at 31-Mar-2021	
	Numbers	(Rs. in Lacs)	Numbers	(Rs. in Lacs)
Adani Ports and Special Economic Zone Limited (Holding Company with its nominees)	200,001,983	20,000.20	-	-
Brahmi Tracks Management Services Pvt. Ltd. (Formerly known as Brahmi Build Estate Pvt. Ltd.) (Holding Company with its nominees)	-	-	200,000,000	20,000.00
	200,001,983	20,000.20	200,000,000	20,000.00

d. Details of shareholders holding more than 5% shares in the company

Equity Shares	As at 31-Mar-2022		As at 31-Mar-2021	
	Numbers	% holding	Numbers	% holding
Adani Ports and Special Economic Zone Limited (Holding Company with its nominees)	200,001,983	100%	-	-
Brahmi Tracks Management Services Pvt. Ltd. (Formerly known as Brahmi Build Estate Pvt. Ltd.) (Holding Company with its nominees)	-	-	200,000,000	100%
	200,001,983	100%	200,000,000	100%

e. Details of shares held by promoters

Particulars	As at 31-Mar-2022			As at 31-Mar-2021		
	No. of Shares	% holding in the class	% Change	No. of Shares	% holding in the class	% Change
Adani Ports and Special Economic Zone Ltd.**	200,001,983	100%	100%	-	-	-
Brahmi Tracks Management Services Pvt. Ltd.*	-	-	-100%	200,000,000	100%	100%

** Shares held by Adani Ports and Special Economic Zone Limited including Six Nominee Shareholders in FY 2021-22.

* Shares held by Brahmi Tracks Management Services Pvt. Ltd. including Six Nominee Shareholders in FY 2020-21.

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Notes to Financial Statements for the year ended 31 March 2022

16 Non-Current Lease Liabilities

	(Rs. in Lacs)	
	As at 31-Mar-2022	As at 31-Mar-2021
Lease Liability	5,540.25	2,953.74
	5,540.25	2,953.74

17 Non-Current Provisions

	(Rs. in Lacs)	
	As at 31-Mar-2022	As at 31-Mar-2021
Provision for Gratuity	14.76	13.52
Provision for Compensated Absences	11.83	9.39
	26.59	22.91

18 Current Borrowings

	(Rs. in Lacs)	
	As at 31-Mar-2022	As at 31-Mar-2021
Secured Term Loans		
From Banks	90,000.00	-
Unsecured Loan		
Loan from Other Related Party	-	772.25
Current Maturities of Term Loan	-	90,269.09
Current Maturities of 0% CCD	12,879.64	12,879.64
	102,879.64	103,920.98

(for dues to related party, refer note 34)

Notes:

(i) Short Term Loan Facilities from Bank are secured by hypothecation of entire current assets, assignment on the project documents, mortgage on all the immovable properties, charge on Intangible assets, charge on all the movable properties of the company by way of exclusive charge to the bank. It carries interest at overnight MCLR 6.45% + 0.25% for Bank of Baroda which amounts to 6.7% as on 31-Mar-2022.

19 Trade Payables

	(Rs. in Lacs)	
	As at 31-Mar-2022	As at 31-Mar-2021
Trade payables		
- Total outstanding dues of micro and small enterprises (Refer note no. 40)	182.34	99.25
- Total outstanding dues of creditors other than micro and small enterprises	2,846.78	1,034.74
	3,029.12	1,133.99

(for dues to the related party, refer note no. 34)

Balance as on 31-Mar-2022

Sr No	Particulars	(Rs. in Lacs)					Total
		Outstanding for following periods from due date of Payment					
		Not Due	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
1	MSME	182.34	-	-	-	-	182.34
2	Others	970.01	1,098.19	777.71	0.87	-	2,846.78
3	Disputed dues - MSME	-	-	-	-	-	-
4	Disputed dues - Others	-	-	-	-	-	-
	Total	1,152.35	1,098.19	777.71	0.87	-	3,029.12

Balance as on 31-Mar-2021

Sr No	Particulars	(Rs. in Lacs)					Total
		Outstanding for following periods from due date of Payment					
		Not Due	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
1	MSME	99.25	-	-	-	-	99.25
2	Others	130.40	896.46	-	7.88	-	1,034.74
3	Disputed dues - MSME	-	-	-	-	-	-
4	Disputed dues - Others	-	-	-	-	-	-
	Total	229.65	896.46	-	7.88	-	1,133.99

Current year figures includes figures pertaining to railway business undertaking of APSEZ as merged with the company pursuant to the scheme of arrangement, hence the same are not comparable with the previous year ageing.

ADANI TRACKS MANAGEMENT SERVICES PRIVATE LIMITED

(Formerly known as Sarguja Rail Corridor Private Limited)

Notes to Financial Statements for the year ended 31 March 2022

20 Other Current Financial Liabilities

	(Rs. in Lacs)	
	As at 31-Mar-2022	As at 31-Mar-2021
Retention Money	1,213.04	1,199.36
Capital Creditors	1,612.76	393.01
Interest Accrued but Not Due	16.52	23.81
Deposits from customer	22.69	-
	2,865.01	1,616.18

21 Current Lease Liabilities

	(Rs. in Lacs)	
	As at 31-Mar-2022	As at 31-Mar-2021
Current Lease Liability	293.35	272.28
	293.35	272.28

22 Other Current Liabilities

	(Rs. in Lacs)	
	As at 31-Mar-2022	As at 31-Mar-2021
Statutory Dues Payable (includes TDS, PF, ESI)	757.14	934.67
Advance from Customers	460.65	11.47
	1,217.79	946.14

23 Current Provisions

	(Rs. in Lacs)	
	As at 31-Mar-2022	As at 31-Mar-2021
Provision for Gratuity	0.99	2.09
Provision for Compensated Absences	2.95	3.84
	3.94	5.93

24 Revenue from Operations

	(Rs. in Lacs)	
	For the year ended 31-Mar-2022	For the year ended 31-Mar-2021
Revenue from Operations		
Track Access Charges	66,404.73	45,230.50
Income from Rail Operations	27,595.33	-
	94,000.06	45,230.50

25 Other Income

	(Rs. in Lacs)	
	For the year ended 31-Mar-2022	For the year ended 31-Mar-2021
Interest Income		
Bank Deposits	34.00	981.52
Security Deposit	0.65	0.59
Inter Corporate Deposit	5,465.59	2,400.00
Late Payment Charges	149.08	198.80
Liability no longer required written back	42.13	14.41
Income from Mutual Funds	17.24	203.56
Other Miscellaneous Income	1,595.98	53.40
	7,304.67	3,852.28

ADANI TRACKS MANAGEMENT SERVICES PRIVATE LIMITED

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Notes to Financial Statements for the year ended 31 March 2022

26 Operating Expenses

	(Rs. in Lacs)	
	For the year ended 31-Mar-2022	For the year ended 31-Mar-2021
Operation & Maintenance Expenses		
Equipment Rentals	2,150.06	1,329.54
Railway Service Charges	15,350.34	-
Power & Fuel Expenses	1,546.20	12.40
Repairs & Maintenance-Railways	1,385.02	844.29
Other Operating Expenses	638.41	22.85
Consumption of Stores & Spares	148.49	156.30
	21,218.52	2,365.38

27 Employee Benefits Expense

	(Rs. in Lacs)	
	For the year ended 31-Mar-2022	For the year ended 31-Mar-2021
Salaries, Wages and Bonus	664.67	208.85
Contribution to Provident & Other Funds	37.38	15.10
Staff Welfare Expenses	24.06	15.76
	726.11	239.71

28 Finance Costs

	(Rs. in Lacs)	
	For the year ended 31-Mar-2022	For the year ended 31-Mar-2021
Interest on Borrowings	11,984.20	14,561.22
Interest on CCD	-	344.71
Bank & Finance Charges	388.85	370.96
Interest - Others	611.12	323.12
	12,984.17	15,600.01

29 Other Expenses

	(Rs. in Lacs)	
	For the year ended 31-Mar-2022	For the year ended 31-Mar-2021
Rent	25.50	19.07
Legal & Professional Fees	1,687.72	2,158.75
Travelling & Conveyance Expenses	82.00	53.67
Electricity Expenses	40.68	11.16
Payment to Auditors		
Statutory Audit Fees	1.68	1.25
Tax Audit Fees	1.30	0.50
Other Attestation Services	0.78	1.31
Security Charges	87.63	136.76
Repairs & Maintenance to:		
Buildings	258.95	127.63
Plant & Machinery	11.35	4.64
Others	31.36	7.19
Communication Expenses	11.07	2.51
Loans & Advances Written Off	0.02	-
Insurance	137.94	218.93
Office Expenses	11.32	10.23
Safety Expenses	7.95	0.15
Corporate Social Responsibility Expenses	235.37	107.57
Fines and Penalties	45.46	-
Miscellaneous Expenses	6.72	0.09
	2,684.80	2,861.40

ADANI TRACKS MANAGEMENT SERVICES PRIVATE LIMITED

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Notes to Financial Statements for the year ended 31 March 2022

30 Income Tax Expense

a. Calculation of Deferred Tax Liability / Asset (net)

	(Rs. in Lacs)	
	For the year ended 31-Mar-2022	For the year ended 31-Mar-2021
Deferred Tax Liabilities		
- (Liability) on Accelerated Depreciation for Tax Purpose	13,658.75	9,736.10
Deferred Tax Assets		
- Net reversal during the tax holiday period	10,794.26	9,226.29
- MAT Credit Entitlement	4,507.54	5,587.31
- Asset on account of finance lease transactions	292.64	76.96
Net Deferred Tax Liability / (Asset)	(1935.69)	(5154.46)

Note :

The Company is eligible to avail benefits under section 80IA of the Income Tax Act, 1961 on the Taxable income. Currently, the Company is liable to pay Minimum Alternative Tax (MAT) on income of the year and accordingly has made provision for tax under section 115JB and also booked MAT Credit entitlement which will be utilised against normal tax payable on taxable income arising on or after tax holiday period.

b. The gross movement in the deferred tax account for the year ended 31st March 2022 and 31st March 2021, are as follows:

	(Rs. in Lacs)	
	As at 31-Mar-2022	As at 31-Mar-2021
Net deferred tax asset at the beginning	5,154.46	3,484.07
Tax (Expenses) / Income recognised in:		
Statement of Profit and Loss		
Difference in tax base of assets	(3,922.64)	(3,640.03)
Unabsorbed Depreciation / Business Loss	-	(2,697.93)
Entitlement / (Utilisation) of Tax Credit (MAT)	(1,079.77)	2,103.25
Asset on account of finance lease transactions	215.68	76.96
Net Reversal of Liability during the tax holiday period	1,568.43	5,828.62
Other Comprehensive Income		
Net Loss/(Gain) on remeasurements of defined benefit plans	(0.46)	(0.48)
Net deferred tax asset at the end	1,935.69	5,154.46

c. Reconciliation of Income Tax Expense and the Accounting Profit multiplied by India's tax rate :

This note presents the reconciliation of Income Tax charged as per the Tax Rate specified in Income Tax Act, 1961 & the actual provision made in the Financial Statements as at 31st March 2022 & 31st March 2021 with breakup of differences in Profit as per the Financial Statements & as per Income Tax Act, 1961.

	(Rs. in Lacs)	
	For the year ended 31-Mar-2022	For the year ended 31-Mar-2021
Profit Before Tax	47,915.15	15,702.66
Tax Rate for Corporate Entity as per Income Tax Act, 1961	34.94%	29.12%
Expected tax expense	16,743.47	4,572.61
Tax effect of adjustments to reconcile expected tax expense to reported income tax expense		
- Unrecognised Deferred Tax Liability during the tax holiday period	(1,568.43)	(5,828.62)
- Deduction under Chapter-VIA	(7,034.10)	-
- Difference in tax rate on Unrecognised Deferred Tax Liability for the tax holiday period	-	1536.66
- Unrecognised Deferred Tax of previous year	3,477.17	-
- Tax impact on Items permanently disallowables for Income Taxes	105.27	154.47
- Tax Adjustment of earlier years	(93.25)	-
- Others	2.84	793.87
Total Tax Expense as per Statement of Profit & Loss	11,632.96	1,228.98

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Notes to Financial Statements for the year ended 31 March 2022

31 Financial Instruments And Risk Review

a. Fair Value Measurement and Hierarchy

Financial Assets and Liabilities :

The Company's principal financial assets include trade receivables, cash and cash equivalents and other receivables. The Company's principal financial liabilities comprise of borrowings, provisions, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and projects.

Fair Value Hierarchy :

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level-1 : Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level-2 : Inputs are other than quoted prices included within Level-1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level-3 : Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on the assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The following tables summarises carrying amounts of financial instruments of continuing operations by their categories and their levels in fair value hierarchy for each year end presented.

As at 31-Mar-2022 (Rs. in Lacs)

Particulars	FVTPL	Amortised Cost	Total
	Level-2		
Financial Assets			
Investments	-	-	-
Trade Receivables	-	11,631.00	11,631.00
Cash and Cash Equivalents	-	27.65	27.65
Other Bank Balances	-	510.99	510.99
Loans	-	66,972.31	66,972.31
Other Financial Assets	-	26,537.76	26,537.76
Total	-	105,679.71	105,679.71
Financial Liabilities			
Borrowings	-	165,775.88	165,775.88
Trade Payables	-	3,029.12	3,029.12
Lease Liability	-	5,833.60	5,833.60
Other Financial Liabilities	-	2,865.01	2,865.01
Total	-	177,503.61	177,503.61

As at 31-Mar-2021 (Rs. in Lacs)

Particulars	FVTPL	Amortised Cost	Total
	Level-2		
Financial Assets			
Investments	11,249.99	-	11,249.99
Trade Receivables	-	10,006.22	10,006.22
Cash and Cash Equivalents	-	2,047.10	2,047.10
Other Bank Balances	-	20,038.36	20,038.36
Loans	-	19,999.99	19,999.99
Other Financial Assets	-	3,550.82	3,550.82
Total	11,249.99	55,642.50	66,892.49
Financial Liabilities			
Borrowings	-	159,172.56	159,172.56
Trade Payables	-	1,133.99	1,133.99
Lease Liability	-	3,226.02	3,226.02
Other Financial Liabilities	-	1,616.18	1,616.18
Total	-	165,148.75	165,148.75

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Notes to Financial Statements for the year ended 31 March 2022

Carrying amounts of current financial assets and liabilities as at the end of the each year presented approximate the fair value because of their short term nature. Difference between carrying amounts and fair values of other non-current financial assets and liabilities subsequently measured at amortised cost is not significant in each of the year presented.

b. Financial Risk Management Objective and Policies

The Company's principal financial liabilities comprise borrowings, provisions, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations/projects. The Company's principal financial assets include loan and receivables, cash and cash equivalents and other business related receivables. In the ordinary course of business, the Company is mainly exposed to risks resulting from interest rate risk, credit risk and liquidity risk.

i) Interest risk

The Company is exposed to changes in interest rates due to its financing, investing and cash management activities. The risks arising from interest rate movements arise from borrowings with variable interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

The Companies risk management activities are subject to the management, direction and control of Central Treasury Team of the Adani Group under the framework of Risk Management Policy for interest rate risk. The Group's central treasury team ensures appropriate financial risk governance framework for the Company through appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives.

The risks arising from interest rate movements arise from borrowings with variable interest rates. For sensitivity analysis, the amount of the liability outstanding at the end of the year is assumed to be outstanding for the whole year. A 50 basis point increase or decrease is used for analysis, which represents management's assessment of the reasonably possible change in interest rate.

Particulars	(Rs. in Lacs)	
	As at 31-Mar-2022	As at 31-Mar-2021
Total Borrowings at the year end	165,775.88	159,172.56

In case of fluctuation in interest rates by 50 basis points and all other variables were held constant, the Company's profit for the year would increase or decrease as follows :

Particulars	(Rs. in Lacs)	
	As at 31-Mar-2022	As at 31-Mar-2021
Impact on profit for the year	828.88	795.86

ii) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a loss to the company. The company has adopted the policy of only dealing with creditworthy counter parties as a means of mitigating the risk of financial losses from default. The carrying amount of financial assets recorded in the financial statements represents the company's maximum exposure to credit risk. Cash are held with creditworthy financial

iii) Liquidity risk

The Company monitors its risk of shortage of funds using cash flow forecasting models. These models consider the maturity of its financial investments, committed funding and projected cash flows from operations. The Company's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner and to manage its capital structure. A balance between continuity of funding and flexibility is maintained through the use of various types of borrowings.

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Notes to Financial Statements for the year ended 31 March 2022

The tables below provide details regarding contractual maturities of significant liabilities as at the end of each year end presented.

As at 31st March, 2022 :

Particulars	(Rs. in Lacs)			
	Less than 1 Year	1 to 5 Years	More than 5 years	Total
Borrowings	102,879.64	62,896.24	-	165,775.88
Trade Payables	3,029.12	-	-	3,029.12
Lease Liabilities	488.76	2,142.63	20,751.89	23,383.28
Other Financial Liabilities	2,865.01	-	-	2,865.01
Total	109,262.53	65,038.86	20,752	195,053.28

As at 31st March, 2021 :

Particulars	(Rs. in Lacs)			
	Less than 1 Year	1 to 5 Years	More than 5 years	Total
Borrowings	103,920.98	55,251.57	-	159,172.56
Trade Payables	1,134.00	-	-	1,134.00
Lease Liabilities	279.81	1,168.02	17,839.75	19,287.57
Other Financial Liabilities	1,616.18	-	-	1,616.18
Total	106,950.96	56,419.59	17,840	181,210.30

iv) Capital Management

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

The company monitors capital using gearing ratio, which is net debt (borrowings as detailed in Note 15 & 18 less cash and bank balances) divided by total capital plus debt.

Particulars	(Rs. in Lacs)	
	As at 31-Mar-2022	As at 31-Mar-2021
Total Borrowings	165,775.88	159,172.56
Less: Cash and Bank Balances	538.64	22,085.46
Net Debt (A)	165,237.24	137,087.10
Total Equity (B)	90,612.72	47,158.43
Total Equity and Net Debt (C = A + B)	255,849.96	184,245.53
Gearing ratio	64.58%	74.40%

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Notes to Financial Statements for the year ended 31 March 2022

32 As per Indian Accounting standard 19 "Employee Benefits", the disclosure as defined in the accounting standard are given below

- (a) Liability in respect of Provident Fund is provided for on actual contribution basis.
- (b) Liabilities in respect of Gratuity and Leave Encashment are determined based on actuarial valuation done by actuary as at the balance sheet date in line with the Ind AS 19 issued 'Employee Benefits'. Disclosures in respect of the defined benefit obligation (i.e. Gratuity) are as follows.

Particulars	(Rs. in Lacs)	
	Gratuity	
	As at 31-Mar-2022	As at 31-Mar-2021
Expense recognised in the Statement of Profit and Loss		
Current Service Cost	3.41	4.16
Interest Cost	1.05	0.87
Expected Return on Plan Assets	-	-
Net Actuarial (Gains) / Losses	1.78	(1.36)
	6.23	3.66
Net Asset / (Liability) recognised in the Balance Sheet		
Present Value of Obligations	15.75	15.61
Fair Value of Plan Assets	-	-
Net Asset / (Liability)	(15.75)	(15.61)
Change in Obligations during the year		
Present Value of Obligations at the beginning of the year	15.61	13.80
Current Service Cost	3.41	4.16
Interest Cost	1.05	0.87
Benefits Paid	(2.99)	(1.05)
Actuarial (Gains) / Losses	1.78	(1.36)
Acquisition Adjustment	(3.10)	(0.81)
Present Value at the end of the year	15.75	15.61
Actuarial Adjustment		
(Gain) / Loss for Plan Liabilities	1.78	(1.36)
Gain / (Loss) for Plan Assets	-	-
Actuarial Assumptions		
Discount Rate	6.90%	6.70%
Expected Rate of Return on Plan Assets	NA	NA
Mortality / Pre-retirement	IALM 12-14 Ultimate IALM 12-14 Ultimate	
Turnover Rate		
Upto 30 years	8.70%	18.00%
31 to 44 years	8.70%	18.00%
Above 44 years	8.70%	18.00%
Rate of Escalation in Salary (p.a.)	10.00%	10.00%

The sensitivity analysis below has been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Particulars	(Rupees in Lacs)			
	Increase in assumptions		Decrease in assumptions	
	As at 31-Mar-2022	As at 31-Mar-2021	As at 31-Mar-2022	As at 31-Mar-2021
Discount Rate (- / + 1%)	14.60	14.83	17.04	16.46
Salary Growth Rate (- / + 1%)	16.99	16.43	14.62	14.84
Attrition Rate (- / + 50%)	14.64	14.34	17.28	17.61
Mortality Rate (- / + 10%)	15.75	15.61	15.76	15.61

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Notes to Financial Statements for the year ended 31 March 2022

Maturity Profile of Obligations

The average duration of the defined benefit plan obligation at the end of the reporting period is 8 years (31 March 2021: 5 years). The expected maturity analysis of gratuity benefits is as follows :

	Rupees in Lacs	
	As at 31-Mar-2022	As at 31-Mar-2021
Less than a year	0.99	2.09
Between 2 to 5 years	6.17	8.34
Between 6 to 10 years	10.56	8.52
Beyond 10 years	11.60	4.20

- (c) As defined benefit plans of both i.e. Gratuity and Leave Encashment are non-funded, no data is presented as to fair value of plan assets.
- (d) Other long term employee benefits comprise of compensated absences/leaves, which are recognised based on actuarial valuation. The actuarial liability for compensated absences as at the year ended 31st March, 2022 is Rs. 14.77 lacs (Previous Year Rs. 13.23 lacs).

33 Earning Per Share (EPS)

	(Rs. in Lacs)	
	For the year ended 31-Mar-2022	For the year ended 31-Mar-2021
Profit / (Loss) for calculation of basic and diluted EPS (in Rupees)	36,282.19	14,474.16
Weighted average number of equity shares for calculating Basic EPS	200,001,983	200,000,000
Weighted average number of equity shares for calculating Diluted EPS	200,001,983	200,000,000
Face value of equity shares	10	10
Basic Earning Per Share (in Rupees)	18.14	7.24
Diluted Earning Per Share (in Rupees)	18.14	7.24

34 Related Parties

Ultimate Holding Entity	: S B Adani Family Trust
Holding Company	: Adani Ports and Special Economic Zone Limited (w.e.f 01-Apr-2021) : Brahmi Tracks Management Services Private Limited (up to 01-Apr-21) (Formerly known as Brahmi Build Estate Private Limited)
Subsidiary Company	: Nil
Fellow Subsidiary & Associates (with whom transactions during the year)	: Adani Logistics Limited : Karnavati Aviation Private Limited : The Adani Harbour Services Limited : Adani Hospitals Mundra Private Limited
Entities under Common Influence (with whom transactions during the year)	: Adani Enterprises Limited : Gare Pelma III Collieries Limited : Adani Road Transport Limited : Talabira (Odisha) Mining Private Limited : Parsa Kente Collieries Limited : Adani Properties Private Limited : Raigarh Energy Generation Limited : Raipur Energen Limited : Adani Institute for Education and Research : Kurmitar Iron Ore Mining Private Limited : Jhar Mineral Resources Private Limited : Adani Rail Infra Private Limited : MPSEZ Utilities Limited : Adani Power (Mundra) Limited : Adani Wilmar Limited
Key Management Personnel	: Mr. Sajal Mitra (MD) (w.e.f 22-Feb-22) : Mr. Uma Shankar (up to 30-Sep-21) : Mr. Dilip Kumar Jha : Mr. Jiwan Kumar Mukherjee (w.e.f 30-Sep-21) : Mr. Birva Chiragbhai Patel (w.e.f 22-Feb-22) : Mr. Vikas Srivastava (CS) (up to 31-Oct-21) : Mr. Akhil Kumar Jain (CS) (w.e.f 01-Nov-21)

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Notes to Financial Statements for the year ended 31 March 2022

(Rs. in Lacs)

Information of Transaction with Related Parties	For the Year Ended 31-Mar-2022	For the Year Ended 31-Mar-2021
Funds Received		
Holding Company : Adani Ports and SEZ Limited	62,896.24	-
Fellow Subsidiary : The Adani Harbour Services Limited	2,500.00	-
Entity under Common : Adani Rail Infra Private Limited	-	5,239.07
Influence : Adani Enterprises Limited	-	560.74
: Adani Properties Private Limited	183,978.18	-
Funds Given		
Fellow Subsidiary : The Adani Harbour Services Limited	2,500.00	-
Entity under Common : Adani Rail Infra Private Limited	55,251.57	6,253.00
Influence : Adani Enterprises Limited	772.25	483.31
: Adani Properties Private Limited	163,978.18	-
Corporate Guarantees Received		
Holding Company : Brahmi Track Management Services Pvt. Ltd.	-	96,538.00
Entity under Common : Adani Rail Infra Private Limited	-	1,570.00
Influence : Adani Enterprises Limited	-	52,604.00
: Adani Properties Private Limited	90,000.00	1,570.00
Corporate Guarantees Released		
Holding Company : Brahmi Track Management Services Pvt. Ltd.	96,538.00	-
Entity under Common : Adani Rail Infra Private Limited	96,538.00	7,516.00
Influence : Adani Enterprises Limited	96,538.00	5,694.00
: Adani Properties Private Limited	96,538.00	7,516.00
Interest Expense		
Holding Company : Adani Ports and SEZ Limited	91.38	-
Fellow Subsidiary : The Adani Harbour Services Limited	51.37	-
Entity under Common : Adani Rail Infra Private Limited	5,146.93	5,244.32
Influence : Adani Enterprises Limited	6.94	83.71
: Adani Properties Private Limited	3,050.82	-
Interest Income		
Entity under Common : Adani Properties Private Limited	5,339.18	2,400.00
Influence		
Interest Accrued Receivable		
Entity under Common : Adani Properties Private Limited	-	2,314.68
Influence		
Service availed		
Fellow Subsidiary : Karnavati Aviation Private Limited	38.68	37.61
: Adani Hospitals Mundra Private Limited	0.11	-
Entity under Common : Adani Enterprises Limited	1,454.19	1,195.03
Influence : Gare Pelma III Collieries Limited	51.63	91.67
: Adani Institute for Education and Research	-	0.08
: Talabira (Odisha) Mining Private Limited	94.77	146.20
: Jhar Mineral Resources Private Limited	-	3.00
: MPSEZ Utilities Limited	21.31	-
: Adani Power (Mundra) Limited	0.44	-
Services Provided		
Fellow Subsidiary : Adani Logistics Limited	279.53	-
Entity under Common : Raigarh Energy Generation Limited	59.76	37.45
Influence : Raipur Energen Limited	1,721.25	1,345.36
: Adani Bunkering Private Limited	42.00	-
: Adani Wilmar Limited	180.00	-
Transfer Out of Employee Liabilities		
Entity under Common : Kurmitar Iron Ore Mining Private Limited	-	1.49
Influence : Parsa Kente Collieries Limited	1.86	-
: Gare Pelma III Collieries Limited	4.44	-
Transfer In of Employee Liabilities		
Entity under Common : Adani Enterprises Limited	0.62	-
Influence		
Remuneration		
Key Management : Mr. Akhil Kumar Jain	2.21	-
Personnel		
Sale of Inventory		
Entity under Common : Kurmitar Iron Ore Mining Private Limited	216.33	-
Influence		

ADANI TRACKS MANAGEMENT SERVICES PRIVATE LIMITED

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Notes to Financial Statements for the year ended 31 March 2022

		(Rs. in Lacs)	
Closing Balance with Related Parties		As at 31-Mar-2022	As at 31-Mar-2021
<u>Dues payable outstanding at the year end</u>			
Fellow Subsidiary	: Karnavati Aviation Private Limited	7.51	3.65
Entity under Common	: Adani Enterprises Limited	400.82	366.21
Influence	: Gare Pelma III Collieries Limited	4.44	24.78
	: Parsa Kente Collieries Limited	1.86	1.18
	: Kurmitar Iron Ore Mining Private Limited	-	1.49
	: Talabira (Odisha) Mining Private Limited	-	37.73
	: Jhar Mineral Resources Private Limited	-	2.78
<u>Dues receivable outstanding at the year end</u>			
Holding Company	: Adani Ports and SEZ Limited	25,945.32	-
Fellow Subsidiary	: Adani Logistics Limited	34.80	-
Entity under Common	: Gare Pelma III Collieries Limited	-	1.86
Influence	: Raigarh Energy Generation Limited	-	43.63
	: Raipur Energen Limited	182.62	241.68
	: Talabira (Odisha) Mining Private Limited	-	2.83
	: Adani Wilmar Limited	23.60	-
<u>Unsecured Loan Balance Payable</u>			
Holding Company	: Adani Ports and SEZ Limited	62,896.24	-
Entity under Common	: Adani Rail Infra Private Limited	-	55,251.57
Influence	: Adani Enterprises Limited	-	772.25
<u>Unsecured Loan Balance Receivable</u>			
Entity under Common	: Adani Properties Private Limited	-	20,000.00
Influence			
<u>Corporate Guarantees Balance</u>			
Holding Company	: Brahmi Track Management Services Pvt. Ltd. *	-	96,538.00
Entity under Common	: Adani Rail Infra Private Limited *	-	96,538.00
Influence	: Adani Enterprises Limited *	-	96,538.00
	: Adani Properties Private Limited *	90,000.00	96,538.00

* Corporate Guarantee given by Adani Properties Pvt. Ltd. to the extent of INR 90,000.00 Lacs against the facilities provided by Bank of Baroda during the FY 2021-22 (In FY 2020-21 Corporate guarantee given jointly and severally to the extent of INR 96,538.00 Lacs for facility provided by Bank of Baroda)

Terms and Conditions of transactions with related parties :

- (i) Transactions with Related Parties are shown net of taxes.
- (ii) The Company's material related party transactions and outstanding balances are with related parties with whom the Company routinely enters into transactions in the ordinary course of business and at arm's length basis.

35 Leases

The Company has lease contracts for land used in its operations. Leases of this item is generally have lease terms between 1 to 99 years. Generally, the Company is restricted from assigning and subleasing the leased assets.

The Ministry of Corporate Affairs ("MCA") through the Companies (Indian Accounting Standards) Amendment Rules, 2019 has notified Ind AS 116 Leases ('Ind AS 116') which replaces the existing lease standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for recognition, measurement, presentation and disclosure of leases for both lessees and lessors.

The Company has elected not to apply the requirements of Ind AS 116 to short term leases of all the assets that have a lease term of twelve months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight line basis over the lease term.

The weighted average incremental borrowing rate applied to lease liabilities is 11%.

Leases as lessee

- i. The movement in Lease liabilities during the year

		(Rs. in Lacs)	
Particulars		As at 31-Mar-2022	As at 31-Mar-2021
Opening Balance		3,226.02	3,178.60
Additions during the year on account of scheme of arrangement		2,555.45	-
Finance costs incurred during the year		520.85	320.40
Payments of Lease Liabilities		468.71	272.98
Balance as at 31st March, 2022 (Refer note 16 & 21)		5,833.61	3,226.02

ADANI TRACKS MANAGEMENT SERVICES PRIVATE LIMITED

(Formerly known as Sarguja Rail Corridor Private Limited)

Notes to Financial Statements for the year ended 31 March 2022

ii. The carrying value of the Rights-of-use and depreciation charged during the year

Particulars	(Rs. in Lacs)	
	As at 31-Mar-2022	As at 31-Mar-2021
Gross Carrying Value		
Opening Balances	3,135.07	3,135.07
Addition to the Right of Use Asset on account of scheme of arrangement	2,508.87	-
Additions during the Year	-	-
Deductions during the Year	-	-
Right of use assets as at end of the year	5,643.94	3,135.07
Accumulated Depreciation		
Opening Balances	129.28	64.64
Addition on account of scheme of arrangement	302.57	-
Depreciation charged for the Year	215.93	64.64
Deductions of accumulated depreciation	-	-
Closing value of Accumulated Depreciation	647.78	129.28

iii. Amount recognised in statement of profit & loss account during the Year

Particulars	(Rs. in Lacs)	
	For the Year Ended on	
	31-Mar-2022	31-Mar-2021
(i) Expenses related to Short Term Lease & Low Asset Value Lease	25.50	19.07
(ii) Lease Expenses	-	-
Total Expenses	25.50	19.07

iv. Amounts recognised in statement of cash flows

Particulars	(Rs. in Lacs)	
	For the Year Ended on	
	31-Mar-2022	31-Mar-2021
Total Cash outflow for Leases	468.71	272.98
	468.71	272.98

v. Maturity analysis of lease liabilities

Particulars	(Rs. in Lacs)	
	As at 31-Mar-2022	As at 31-Mar-2021
Maturity Analysis of contractual undiscounted cash flows		
Less than one year	488.76	279.81
One to five years	2,142.63	1,168.02
More than five years	20,751.89	17,839.75
Total undiscounted lease liabilities	23,383.28	19,287.58
Balances of Lease Liabilities		
Non Current Lease Liability	5,540.25	2,953.74
Current Lease Liability	293.35	272.28
Total Lease Liability	5,833.61	3,226.02

36 Contingent Liabilities & Commitments

(to the extent not provided for)

	(Rs. in Lacs)	
	As at 31-Mar-2022	As at 31-Mar-2021
Contingent Liabilities	-	-
Commitments		
Estimated amount of contracts remaining to be executed on capital accounts (net of advances) and not provided for	786.43	6,899.37
	786.43	6,899.37

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Notes to Financial Statements for the year ended 31 March 2022

37 Business Combination:

On March 03, 2021, the board of directors have approved the Composite Scheme of Arrangement between Sarguja Rail Corridor Private Limited ("the Company") and Brahmi Tracks Management Services Private Limited ("Brahmi") and Adani Tracks Management Services Private Limited ("Adani Tracks") and Adani Ports and Special Economic Zone Limited ("Adani Ports") and the respective shareholders and creditors (the 'Scheme') under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder ("the Act").. NCLT has approved the scheme vide order dated January 27, 2022.

- (a) Pursuant to the Scheme, Adani Tracks Management Services Private Limited got amalgamated into Sarguja Rail Corridor Private Limited. Further upon the Scheme becoming effective name of Sarguja Rail Corridor Private Limited got changed to Adani Tracks Management Services Private Limited with effect from effective date. The concerned Registrar of Companies issued a "Certificate of Incorporation pursuant to change of name" effective from 01st April 2022. The Company has issued 1983 shares of Rs. 10 each to the shareholders of Adani Tracks Management Services Private Limited (i.e. Adani Ports and Special Economic Zone Limited) in swap ratio of 100 shares of the Company for every 2522 shares held by shareholders of Adani Tracks Management Services Private Limited.

All the assets and liabilities of Adani Tracks Management Services Private Limited got transferred to Sarguja Rail Corridor Private Limited at carrying value. The excess value of equity shares allotted over the book value of assets and liabilities transferred to the Company has been credited to Share Premium Account. Accordingly, following effects are given in the books of accounts of the Company:

Particulars	(Rs. in Lacs)
Assets :	
Cash & cash Equivalents	4.57
Trade Receivables	0.64
Total Assets (A)	5.21
Liabilities :	
Retained Earnings	(0.20)
Trade Payables	0.33
Other Financial Liabilities	0.06
Other Liabilities	0.02
Total Liabilities (B)	0.21
Net Assets over Liabilities	5.00
Equity Shares issued (1983 shares of Rs. 10 each)	0.20
Share Premium	4.80

- (b) Pursuant to the Scheme, Mundra Rail Business ("Divestment Business Undertaking") of the Adani Ports and Special Economic Zone Limited (hereinafter referred as "the Transferor Company" or "APSEZL") was transferred on slump sale basis to Adani Tracks Management Services Private Limited (formerly known as Sarguja Rail Corridor Private Limited) ("the transferee Company" or "ATMSPL") with appointed date of April 02, 2021. Adani Ports and Special Economic Zone Limited transferred the balances of assets, liabilities pertaining to the Divestment Business Undertaking, at their respective carrying values to the Company and the difference between the Net Asset Value and consideration for slump sale exchange amounting to Rs. 7,169.54 Lacs has been credited to Capital Reserve in the Company. The Scheme has become effective from February 17, 2022 upon filing of certified copy of the order of the NCLT, Ahmedabad with the concerned Registrar of Companies with an appointed date of April 02, 2021 though the transferor Company has transferred its rights, interests and obligations in Divestment Business Undertaking on implementation of the scheme.

Following is the summary of the net assets of the Divestment Business Undertaking as at appointed date of 2nd April, 2021 in terms of Scheme of Arrangement

Particulars	(Rs. in Lacs)
Assets :	
Property, Plant and Equipment	25,661.24
Capital work in progress	378.61
Inventories - Stores and Spares	150.76
Trade Receivables	1,794.00
Other Assets	4,860.00
Total Assets (A)	32,844.61
Liabilities :	
Trade Payables	17.00
Other Financial Liabilities	22.48
Other Liabilities	6,770.59
Total Liabilities (B)	6,810.07
Net Assets over Liabilities	26,034.54
Consideration Paid	18,865.00
Capital Reserve	7,169.54

ADANI TRACKS MANAGEMENT SERVICES PRIVATE LIMITED

(Formerly known as Sarguja Rail Corridor Private Limited)

Notes to Financial Statements for the year ended 31 March 2022

38 Ratio Analysis :

Name of Ratio	Particulars	Numerator / Denominator taken	As at 31-Mar-2022	As at 31-Mar-2021	% change in Ratio	Remarks *
(a) Current Ratio	Ratio		0.96	0.62	54.28%	
	Numerator	Current Assets	105,710.50	67,007.96		
	Denominator	Current Liabilities	110,549.68	108,112.97		
(b) Debt-Equity Ratio	Ratio		1.83	3.38	-45.80%	
	Numerator	Total Borrowings	165,775.88	159,172.56		
	Denominator	Shareholder's Fund	90,612.72	47,158.43		
(c) Debt Service Coverage Ratio	Ratio		0.75	1.93	-61.34%	
	Numerator	EBITDA	76,675.31	43,616.29		
	Denominator	Current Maturity of Long Term Debt + Interest	102,864.41	22,619.07		
(d) Return on Equity Ratio	Ratio		0.53	0.36	45.27%	
	Numerator	PAT	36,282.19	14,474.16		
	Denominator	Average Shareholder's Fund	68,885.57	39,920.91		
(e) Inventory turnover ratio	Ratio		0.61	0.78	-21.62%	
	Numerator	Consumption of Stores and Spares	148.49	156.30		
	Denominator	Average Inventory	241.93	199.60		
(f) Trade Receivables turnover ratio	Ratio		8.69	4.62	88.17%	
	Numerator	Revenue from Operations	94,000.06	45,230.50		
	Denominator	Average Trade Receivables	10,818.61	9,795.61		
(g) Trade payables turnover ratio	Ratio		11.48	4.55	152.18%	
	Numerator	Operating Expenses + Other Expenses	23,903.32	5,226.78		
	Denominator	Average Trade Payables	2,081.56	1,147.80		
(h) Net capital turnover ratio	Ratio		1.36	1.13	20.44%	
	Numerator	Revenue from Operations	94,000.06	45,230.50		
	Denominator	Average Total Equity	68,885.57	39,920.91		
(i) Net profit ratio	Ratio		0.36	0.29	21.45%	
	Numerator	PAT	36,282.19	14,474.16		
	Denominator	Total Income	101,304.73	49,082.78		
(j) Return on Capital employed	Ratio		0.33	0.16	109.72%	
	Numerator	Earning before Interest, Exceptional Items and Tax	62,099.29	32,172.12		
	Denominator	Average Capital Employed	185,973.67	202,059.96		
(k) Return on investment	Ratio		0.40	0.31	30.46%	
	Numerator	PAT	36,282.19	14,474.16		
	Denominator	Shareholder's Fund	90,612.72	47,158.43		

* Current year figures includes figures pertaining to railway business undertaking of APSEZ as merged with the company pursuant to the scheme of arrangement, hence the same are not comparable with the previous year ratios.

39 Corporate Social Responsibility (CSR)

As per section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed by the Company. The funds are utilized on the activities which are specified in Schedule VII of the Companies Act, 2013. The utilisation is done by way of contribution towards various activities.

(a) Gross amount as per the limits of Section 135 of the Companies Act, 2013 : ₹ 235.25 Lacs. (Previous year : ₹ 107.25 Lacs)

(b) Amount spent and paid during the year ended 31st March, 2022 : ₹ 235.37 Lacs. (Previous year : ₹ 107.57 Lacs)

Details of Corporate Social Responsibilities

Particulars

- (i) Amount required to be spent by the company during the year
- (ii) Amount of expenditure incurred
- (iii) Shortfall at the end of the year
- (iv) Total of previous years shortfall

Total amount contributed during the year

(v) Reason for shortfall : Not Applicable

Particulars	(Rs. in Lacs)	
	As at 31-Mar-2022	As at 31-Mar-2021
(i) Amount required to be spent by the company during the year	235.25	107.25
(ii) Amount of expenditure incurred	235.37	107.57
(iii) Shortfall at the end of the year	-	-
(iv) Total of previous years shortfall	-	-
Total amount contributed during the year	235.37	107.57

ADANI TRACKS MANAGEMENT SERVICES PRIVATE LIMITED

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Notes to Financial Statements for the year ended 31 March 2022

(vi) Nature of CSR activities :

		(Rs. in Lacs)
Sr. No.	Particulars	As at 31-Mar-2022
1	Deep Borewell and Handpump Installation	9.36
2	Medical equipments and materials for Covid 19 medical care support and health & hygiene awareness	24.77
3	Pond cleaning and renovation for community use at Ramanujnagar	11.71
4	Ration and other required materials distribution to villagers & blanket distribution	1.88
5	Nullah constricton along road side at Shivnagar	5.44
6	Running of Mobile Health Care Unit for better health Care services - addressing specific Skin problems in affected villages.	29.52
7	Specialized Mega Health camps in the project villages.	2.94
8	Financial Support in critical cases. (Weaker Section of society)	1.50
9	Support to specillay abled people on World Disability Day	1.65
10	Installation of Tube well & submersible pumps with water tank.	4.28
11	CC road construction at Karwahi - 125 meter	2.49
12	Construction of Pond step at Khamhariya village	1.76
13	Infrastructural support and facility Development at Tamnar Hospital	1.73
14	Health , Hygiene, Lifestyle & awareness Session	6.10
15	Ambulance for Medical for critical unavoidable medical cases on requirement & urgency	0.50
16	Cowshed development at Parsa	9.53
17	Bio flock fish rearing unit at Salhi Gram Panchayat.	2.08
18	Procurement of Organic Pesticides/Insecticides/(Neem Ghol, Parn Ghol, Parnagni Ghol etc.) Organic Plant nutrients for promoting organic farming	4.99
19	Organic Gai Gobar Churn Khad and Spice Packaging Machine	10.91
20	Bulk Milk Cooler	2.22
21	Milk Testing Machine	1.72
22	Provide teacher Support to 07 primary schools For Navoday Coaching as well as strengthening base of primary level (1 Teachers for 12 month)	1.44
23	Equipment installation (smart board/LED) for online education of Navoday classes in 03 schools	2.45
24	Furniture, Fixtures, Electricity & other Capital Purchase for Upgradation of Quality education services	0.94
25	Merit Scholarship for Higher Education Assistance: to promote and create a competitive environment for Higher Studies among Govt. School Students (Top 10 Students at Block Level)	1.28
26	Training for Archery development for the tribal and rural students of Tamnar Block.	5.90
27	Construction Of Varmicompost 20 Unit with farmers	2.89
28	Mushroom Harvesting	0.20
29	Azolla Production	0.10
30	Support to Khamariya Group farming(Seed, Equipmets support, Drip and Mulching, Branding, equipments suppot etc)	1.49
31	Demonstration for SRI with 10 farmers	0.22
32	Support to another group for Vegetable cultivation in large scale at Dholnara village	1.77
33	Training and exposure visit to farmers	0.34
34	Organised 5 Animal Camp at 5 village	0.91
35	Support to at milupara for water ATM	6.39
36	Training to 25 SHG (50 women) for book keeping, leadership and IGA for 2 days (50x2=100) with stationaries	0.20
37	Exposure Visit to 25 women	0.30
38	Renovation of Mission School boundray	2.38
39	Yatri Pratikshalay at Shivnagar and Sortex Machine Shed at Parsa	8.12
40	Minor road repairing at Parsa - Imalipara Salhi Road junction	0.92
41	Solar Street Light	1.00
42	Distribution of sports kit	1.31
43	Renovation of sports coordination centre at Parsa with coordination infrastructural support such as Table, Chairs, Almirah etc. and renovation of toilets and water supply system	0.80
44	Installation of Steel Gate at Parsa Sports Ground	1.84
45	Renovation of Community hall of Dholnara village	3.47
46	Water tank and bathroom Construction at Dholnara village	1.56
47	Promotion of Rural Sports through providing support to local youth Clubs, coaching, tournaments and organizing sports and games i.e inter school atheletic Meet, Adani Pro Kabaddi/Vollyball	7.75
48	Supporting different Art and cultural program. Celebration world tribal day	1.09
49	Stationary Expenses.	0.09
50	Community Engagement Activities	0.24
51	Cricket League, Football Tournament (6 Villages are involved, having different clubs for organising Sports tournament and cultural program)	0.50
52	Community Engagement Activities	0.55
53	Cultural Activities	1.50
54	Deployment of Water Tanker covering villages	38.35
	Total	235.37

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Notes to Financial Statements for the year ended 31 March 2022

		(Rs. in Lacs)
Sr. No.	Particulars	As at 31-Mar-2021
1	Renovation of Cultural Sthal – 1 No.	3.94
2	Renovation of Cultural Sthal -1 No.	3.11
3	Renovation of open Community Hall – 1 No.	10.08
4	LED Street Light - 175 Nos.	2.27
5	Railways Siding Pond Boundary Wall - 1 No.	3.26
6	Services for Shed at Police Station	1.50
7	Renovation of Sub-Structure for Community Hall	1.50
8	Renovation of Super-Structure for Community Hall	2.69
9	Supply of Colour Coated GI Profile Sheets	14.43
10	Installation of Solar Lights & civil work for Cultural Stage	2.37
11	Financial assistance for organizing Namyagyan Program	0.25
12	Financial assistance for organizing Veer Surendra Sai Birth Anniversary	0.50
13	Financial assistance for organizing Cricket tournament	0.50
14	Financial assistance for organizing Makar Sankranti Cultural Program	1.50
15	Financial assistance for organizing Cricket tournament	0.50
16	Cultural grant on occasion of Saheed Diwas	0.25
17	Financial assistance for organizing Football Tournament	0.50
18	Renovation of Govt. Primary and Middle School – 1 No.	10.74
19	Services for Cowdung Shed Unit I & Unit-II at Parsa Village	6.29
20	Poultry shed making – 1 No.	3.21
21	Procurement of organic fungicide/pesticide/organic fertilizers for promotion of organic farming in peripheral villages	2.17
22	Borewell drilling & handpump installation in Surajpur district - 8 Nos.	4.41
23	Drinking Water Head Tank with Submersible pump fittings at Dahimar hamlet of Salhi Gram Panchayat – 1 No.	2.49
24	Digging of 7" dia borewell with 120 meter depth – 1 No.	0.81
25	Purchasing and installation of 1 no. of Solar Water Pump (5 H.P.) with 5000 Litre Overhead Water Tank in 7" dia	5.16
26	Distribution of Blankets	0.52
27	Distribution of Sanitary pads among women of 5 villages	1.45
28	Procurement of white phenyle under CSR	0.56
29	Organization of Menstrual Hygiene awareness camp	0.18
30	Renovation of Water Proofing work of Higher Secondary	0.40
31	Renovation for water tank with Bathroom - Dholnara Village	1.50
32	Renovation of water tank with Bathroom - Kunjemura Village	1.51
33	Renovation of water tank with Bathroom - Dolesara Village	1.51
34	Civil work for Class Room at primary school	5.22
35	Installation of Bore well at Madhu Gupta Pond	0.53
36	Renovation of water tank with bathroom facility - Bajarmuda Village	1.51
37	Hiring of Water Tanker	4.89
38	Renovation of Primary Health Center	2.37
39	Blood Donation Camp	1.00
	Total	107.57

(vii) Out of (ii) above ₹ Nil (Previous year : ₹ Nil) contributed to a trust controlled by the company in relation to CSR expenditure

ADANI TRACKS MANAGEMENT SERVICES PRIVATE LIMITED

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Notes to Financial Statements for the year ended 31 March 2022

40 Disclosures under MSMED Act

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006.

	(Rs. in Lacs)	
	As at 31-Mar-2022	As at 31-Mar-2021
i) Principal amount remaining unpaid to any supplier as at the end of the year	182.34	99.25
ii) Interest due thereon remaining unpaid to any supplier at the end of the year	-	-
iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed date	-	-
iv) The amount of interest due and payable for the year	-	-
v) The amount of interest accrued and remaining unpaid at the end of the year	-	-
vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

The Disclosure in respect of the amounts payable to Micro and Small Enterprises have been made in the financial statements based on the information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance sheet date. These facts have been relied upon by the auditors.

41 Standard issued but not effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, as and when they become effective. The Ministry of Corporate Affairs (MCA) has notified certain amendments to Ind AS, through Companies (Indian Accounting Standards) Amendment Rules, 2022 on 23rd March, 2022. These amendments maintain convergence with IFRS by incorporating amendments issued by International Accounting Standards Board (IASB) into Ind AS and has amended the following standards:

1. Ind AS 101 - First-time adoption of Ind AS
2. Ind AS 103 - Business Combinations
3. Ind AS 109 - Financial Instruments
4. Ind AS 16 - Property, Plant and Equipment
5. Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets
6. Ind AS 41 - Agriculture

These amendments shall come into force with effect from April 01, 2022.

The Company is assessing the potential effect of the amendments on its financial statements. The Company will adopt these amendments, if applicable, from applicability date.

42 Code on Social Security

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits has received Presidential assent and has been published in the Gazette of India. However, the effective date of the Code and final rules for quantifying the financial impact are yet to be notified. The Group will assess the impact of the Code when relevant provisions are notified and will record related impact, if any, in the period the Code becomes effective.

43 In the opinion of the management and to the best of their knowledge and belief, the value under the head of Current and Non-Current Assets (other than Fixed Assets and Non-Current Investments) are approximately of the value stated, if realised in ordinary course of business, except unless stated otherwise. The provision for all the known liabilities is adequate and not in excess of amount considered reasonably necessary.

44 Events occurring after the Balance Sheet Date

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. There are no subsequent events to be recognized or reported that are not already disclosed.

ADANI TRACKS MANAGEMENT SERVICES PRIVATE LIMITED

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Notes to Financial Statements for the year ended 31 March 2022

45 Other Disclosures

- (a) The financial statements were approved for issue by the board of directors on 24th May, 2022.
- (b) As per the Inter-Corporate Deposit/Loan Agreement executed by the Company from time to time, No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Previous year's figures have been recast, regrouped and rearranged, wherever necessary to conform to this year's classification. Further, the figures have been rounded off to the nearest lacs.

As per our report of even date
For **Shah Dhandharia & Co LLP**
Chartered Accountants
Firm Registration Number : 118707W / W100724

For and on behalf of the board of directors of
Adani Tracks Management Services Pvt. Ltd.
(Formerly known as Sarguja Rail Corridor Pvt. Ltd.)

Shubham Rohatgi
Partner
Membership No. 183083

Sajal Mitra
Managing Director
DIN: 02625510

Dilip Kumar Jha
Director
DIN : 06829315

Place : Ahmedabad
Date : 24-May-2022

Akhil Kumar Jain
Company Secretary
Membership No : A61202
