

Adani Tracks Management
Services Limited

Financial Statements for the
FY - 2023-24



Independent Auditor's Report

To the Members of Adani Tracks Management Services Limited

Report on the audit of the Standalone Financial Statements

We have audited the accompanying Standalone Financial Statements of **Adani Tracks Management Services Limited (Formerly known as Sarguja Rail Corridor Private Limited)** ("the Company"), which comprise the Balance Sheet as at 31st March, 2024, 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 material 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 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, 2024, 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.

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.

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.



Independent Auditor's Report To the Members of Adani Tracks Management Services Limited

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.
- 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.



Independent Auditor's Report To the Members of Adani Tracks Management Services Limited

- 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;
 - 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, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 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.



**Independent Auditor's Report
To the Members of Adani Tracks Management Services Limited**

- 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, 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.
- F. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. However, audit trail feature is not enabled for certain direct changes to data when using certain access rights and at the database level for the accounting software, as described in note 43(j) to the standalone financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software.

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 : 1st May 2024

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

Shubham Rohatgi
Partner
Membership No. 183083
UDIN – 24183083BKBVBZ7157



Annexure - A to the Independent Auditor's Report
RE: Adani Tracks Management Services 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, 2024, 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) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) in the nature of freehold land & buildings included in property, plant and equipment disclosed in note 4 to the standalone financial statements are held in the name of 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

RE: Adani Tracks Management Services Limited

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

- (iii) 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 not granted any loan or made any investment or provided any guarantee or security to companies, firms, Limited Liability Partnership or any other party (except for Employee Loan). Accordingly, the provision of paragraph 3(iii)(a) to 3(iii)(f) of the Order are not applicable.
- (iv) In our opinion and according to information and explanations given to us and representations made by the Management, the Company has not granted any loans, given any guarantees or provided any securities to the parties covered under section 185 and 186 of the Act. Accordingly the provisions of 3(iv) of the Order are not applicable to the Company.
- (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) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules 2014 prescribed by the Central Government under section 148(1) of the Companies Act, 2013 in respect of the company's products/ services to which the said rules are made applicable and are of the opinion that prima facie the prescribed cost records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (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, 2024 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 2024 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.



Annexure - A to the Independent Auditor's Report

RE: Adani Tracks Management Services Limited

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

- (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.
- 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 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.



Annexure - A to the Independent Auditor's Report

RE: Adani Tracks Management Services Limited

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

- (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.
- (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 standalone 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
RE: Adani Tracks Management Services Limited

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

- (xx) According to the information and explanations given to us and based on our examination of the records of the Company, it has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

Place: Ahmedabad
Date : 1st May 2024

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

Shubham Rohatgi
Partner
Membership No. 183083
UDIN - 24183083BKBVBZ7157



Annexure – B to the Independent Auditor’s Report

RE: Adani Tracks Management Services 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).

We have audited the internal financial controls over financial reporting of **Adani Tracks Management Services Limited** (“the Company”) as of 31st March, 2024 in conjunction with our audit of the Standalone Financial Statements of the company for the year ended on that date.

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.

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.



Annexure – B to the Independent Auditor’s Report

RE: Adani Tracks Management Services Limited

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

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.

Opinion

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, 2024, 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.

Place: Ahmedabad
Date : 1st May 2024

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

Shubham Rohatgi
Partner
Membership No. 183083
UDIN - 24183083BKBVBZ7157

ADANI TRACKS MANAGEMENT SERVICES LIMITED

Balance Sheet as at 31 March 2024

(Rs. in Lacs)

Particular	Notes	As at 31-Mar-2024	As at 31-Mar-2023
ASSETS			
(I) Non-Current Assets			
(a) Property, Plant and Equipment	4	1,31,043.94	1,21,024.20
(b) Right-Of-Use Assets	4	16,068.70	16,838.21
(c) Capital Work-In-Progress	5	14,008.63	27,622.50
(d) Other Intangible Assets	4	-	-
(e) Financial Assets			
(i) Other Financial Asset	6	208.65	207.85
(f) Income Tax Assets (net)		49.70	-
(g) Deferred Tax Asset (net)		-	-
(h) Other Non-current Assets	7	926.66	1,352.10
		1,62,306.28	1,67,044.86
(II) Current Assets			
(a) Inventories - Stores and Spares	43(i)	187.23	155.36
(b) Financial Assets			
(i) Investments		-	-
(ii) Trade Receivables	8	14,026.65	8,722.97
(iii) Cash & cash Equivalents	9	1,001.87	63.55
(iv) Bank Balances other than (iii) above		-	-
(v) Loans	10	7.91	-
(vi) Other Financial Assets	11	312.13	25.78
(c) Other Current Assets	12	1,187.09	5,383.44
		16,722.88	14,351.10
Total Assets		1,79,029.16	1,81,395.96
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	13	20,000.20	20,000.20
(b) Instruments entirely Equity in nature	14	-	-
(c) Other Equity	15	1,16,376.65	99,011.13
Total Equity		1,36,376.85	1,19,011.33
LIABILITIES			
(I) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities	16	5,569.95	5,560.68
(b) Provisions	17	173.82	31.82
(c) Deferred Tax Liabilities (net)	30	2,357.27	587.86
		8,101.04	6,180.36
(II) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	17,037.07	38,676.74
(ii) Trade Payables	19		
- Total outstanding dues to micro and small enterprises		29.99	447.22
- Total outstanding dues other than micro and small enterprises		1,820.92	4,976.76
(iii) Other Financial Liabilities	20	4,855.00	3,411.08
(iv) Lease Liabilities	21	325.66	309.29
(b) Other Current Liabilities	22	10,448.75	8,350.56
(c) Provisions	23	33.88	3.85
(d) Income Tax Liabilities (net)		-	28.77
		34,551.27	56,204.27
Total Equity and Liabilities		1,79,029.16	1,81,395.96

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 Limited

Shubham Rohatgi
Partner
Membership No. 183083

Shailendra Kumar Sharma
Managing Director
DIN: 06990949

Amitabh Mishra
Director & CFO
DIN: 09817378

Place : Ahmedabad
Date : 01/05/2024

Jatin Bhavsar
Company Secretary
Membership No : A25835

ADANI TRACKS MANAGEMENT SERVICES LIMITED
Statement of Profit and Loss for the year ended on 31 March 2024

Particular	Notes	(Rs. in Lacs)	
		For the year ended 31-Mar-2024	For the year ended 31-Mar-2023
Income			
Revenue from Operations	24	58,563.64	66,092.68
Other Income	25	59.29	3,567.30
Total Income		58,622.93	69,659.98
Expenses			
Operating Expenses	26	6,794.52	6,505.92
Employee Benefits Expense	27	468.79	860.70
Finance Costs	28	2,586.04	5,932.74
Depreciation and Amortisation Expense	4	14,792.49	14,602.59
Other Expenses	29	5,067.99	4,110.13
Total Expenses		29,709.83	32,012.08
Profit / (Loss) Before Exceptional items and Tax		28,913.10	37,647.90
Add/(Less) : Exceptional items		-	-
Profit / (Loss) After Exceptional Items & Before Tax		28,913.10	37,647.90
Tax Expense	30		
Current Tax		9,744.23	6,677.56
Deferred Tax (including MAT)		640.70	2,323.61
Adjustment of Earlier Years		1,128.85	248.67
Total Tax Expenses		11,513.78	9,249.84
Profit / (Loss) For The Year		17,399.32	28,398.06
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 (net of tax)		(33.80)	0.55
Total Other Comprehensive Income / (Loss)		(33.80)	0.55
Total Comprehensive Income for the Year		17,365.52	28,398.61
Earning per Equity Share of Rs.10 each (in Rs.)			
Basic	33	8.70	14.20
Diluted		8.70	14.20

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

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Company Secretary
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ADANI TRACKS MANAGEMENT SERVICES LIMITED
Statement of Changes in Equity for the year ended on 31 March 2024

A. Equity Share Capital

Particulars	No. of Shares	(Rs. in Lacs)
		Amount
As at 01-April-2022	20,00,01,983	20,000.20
Changes in the Equity Share Capital	-	-
As at 31-March-2023	20,00,01,983	20,000.20
As at 01-April-2023	20,00,01,983	20,000.20
Changes in the Equity Share Capital	-	-
As at 31-March-2024	20,00,01,983	20,000.20

B. Instruments entirely Equity in nature

Particulars	(Rs. in Lacs)
	Amount
As at 01-April-2022	-
Issued during the year	90,000.00
Redeemed during the year	(90000.00)
As at 31-March-2023	-
As at 01-April-2023	-
Issued during the year	-
Redeemed during the year	-
As at 31-March-2024	-

C. Other Equity

Particulars	Reserves and Surplus			(Rs. in Lacs)
	Retained Earnings	Capital Reserve	Securities Premium	Total
Balance as at 01-April-2022	62,031.68	7,169.54	1,411.30	70,612.52
Profit for the year	28,398.06	-	-	28,398.06
Other Comprehensive Income / (Loss)	0.55	-	-	0.55
Total Comprehensive Income	28,398.61	-	-	28,398.61
Balance as at 31-March-2023	90,430.29	7,169.54	1,411.30	99,011.13
Balance as at 01-April-2023	90,430.29	7,169.54	1,411.30	99,011.13
Profit for the year	17,399.32	-	-	17,399.32
Other Comprehensive Income / (Loss)	(33.80)	-	-	(33.80)
Total Comprehensive Income	17,365.52	-	-	17,365.52
Balance as at 31-March-2024	1,07,795.81	7,169.54	1,411.30	1,16,376.65

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 Limited

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Shailendra Kumar Sharma
Managing Director
DIN: 06990949

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Director & CFO
DIN: 09817378

Place : Ahmedabad
Date : 01/05/2024

Jatin Bhavsar
Company Secretary
Membership No : A25835

ADANI TRACKS MANAGEMENT SERVICES LIMITED
Statement of Cash Flows for the year ended on 31 March 2024

(Rs. in Lacs)

Particular	For the year ended 31-Mar-2024	For the year ended 31-Mar-2023
I. CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) Before Tax as per statement of profit and loss	28,913.10	37,647.90
Adjustment on account of :		
Depreciation and Amortisation Expense	14,792.49	14,602.59
Finance Costs	2,586.04	5,932.74
Interest Income	(0.80)	(3,348.47)
Liability no longer required written back	(8.06)	(44.62)
Bad Debts / Provision for Doubtful Debts, Loans & Advances	-	4.27
Operating Profit / (Loss) Before Working Capital Changes	46,282.77	54,794.41
Adjustment for :		
Decrease / (Increase) in Inventories	(31.87)	117.23
Decrease / (Increase) in Trade Receivables	(5,303.68)	2,903.76
Decrease / (Increase) in Loans	(7.91)	14.53
Decrease / (Increase) in Other Current Financial Assets	(286.35)	26,042.24
Decrease / (Increase) in Other Current Assets	4,196.35	(5,165.97)
Decrease / (Increase) in Other Non Current Financial Assets	(0.00)	251.42
Decrease / (Increase) in Other Non Current Assets	20.11	14.94
Increase / (Decrease) in Trade Payables	(3,565.01)	2,439.48
Increase / (Decrease) in Provisions	138.24	6.00
Increase / (Decrease) in Other Current Financial Liabilities	631.37	(161.55)
Increase / (Decrease) in Other Current Liabilities	2,098.19	7,132.77
Cash Generated from / (Used in) Operations	44,172.21	88,389.26
Less : Direct Taxes Paid / (Refund received) (Net)	9,822.84	6,958.66
Net Cash Generated From / (Used in) Operating Activities	34,349.37	81,430.60
II. CASH FLOW FROM INVESTING ACTIVITIES		
Interest Received	-	3,358.95
Capital Expenditure on Property, Plant & Equipments (after adjustment of increase/decrease of CWIP, Capital Creditors and Advances)	(9,447.07)	(19,954.80)
Proceeds from /(Investment in) Other Bank Deposit (Net)	-	510.99
Loans (given to) / received back (Net)	-	66,957.77
Net Cash Generated From / (Used in) Investing Activities	(9,447.07)	50,872.91
III. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds From Issuance of Unsecured Perpetual Securities	-	90,000.00
Repayment of Unsecured Perpetual Securities	-	(90,000.00)
Proceeds From Long term Borrowings	-	32,973.00
Repayment Of Long term Borrowings	-	(73,450.20)
Proceeds / (Repayment) from Current Borrowings (Net)	(21,639.67)	(90,000.00)
Finance Cost Paid	(1,821.39)	(1,302.16)
Payment on account of Lease Liability	(502.92)	(488.25)
Net Cash Generated From / (Used in) Financing Activities	(23,963.98)	(1,32,267.61)
Net Increase / (Decrease) in Cash & Cash Equivalents	938.32	35.90
Cash & Cash Equivalents at the beginning of the year	63.55	27.65
Cash & Cash Equivalents at the end of the year	1,001.87	63.55

ADANI TRACKS MANAGEMENT SERVICES LIMITED**Statement of Cash Flows for the year ended on 31 March 2024****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-2024	31-Mar-2023
Components of Cash and Cash Equivalents		
Balance with Scheduled Bank		
In Current Accounts	1,001.87	63.55
Cash and cash equivalents as per Balance Sheet (Refer note 9)	1,001.87	63.55

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

(iii) Disclosure of changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes under Para 44A as set out in Ind AS 7 "Statement of Cash flows" under Companies (Indian Accounting Standards) Rules, 2017 (as amended) is as under.

As at 31st March, 2024 :

(Rs. in Lacs)

Particulars	As at 01st April, 2023	Cash Flows	Accruals/Other Adjustments	As at 31st March, 2024
Current borrowings	38,676.74	(21,722.88)	83.21	17,037.07
Interest accrued but not due	744.41	(1,821.39)	2,057.48	980.50
Lease Liabilities	5,869.97	(502.92)	528.56	5,895.61
Total	45,291.12	(24,047.19)	2,669.25	23,913.18

As at 31st March, 2023 :

(Rs. in Lacs)

Particulars	As at 01st April, 2022	Cash Flows	Accruals/Other Adjustments	As at 31st March, 2023
Non - Current borrowings	62,896.24	(40,477.20)	3,378.06	25,797.10
Current borrowings	1,02,879.64	(90,000.00)	-	12,879.64
Interest accrued but not due	16.52	(1,302.16)	2,030.05	744.41
Lease Liabilities	5,833.61	(488.25)	524.61	5,869.97
Total	1,71,626.01	(1,32,267.61)	5,932.72	45,291.12

(iv) Accrued Interest for the year of Rs. 83.21 Lacs on Inter Corporate Deposit (ICD) taken from related parties, have been converted to the ICD balances as on reporting date as per the terms of the Contract.

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 Limited**Shubham Rohatgi**

Partner

Membership No. 183083

Shailendra Kumar Sharma

Managing Director

DIN: 06990949

Amitabh Mishra

Director & CFO

DIN: 09817378

Place : Ahmedabad

Date : 01/05/2024

Jatin Bhavsar

Company Secretary

Membership No : A25835

1 Corporate Information

Adani Tracks Management Services Limited (ATMSL) (Formerly known as Adani Tracks Management Services Private Limited) 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.

Status of the Company has changed from Private Limited to Public Limited and accordingly the name of the Company has changed to Adani Tracks Management Services Limited w.e.f. 5th April 2023.

2 Basis of preparation

a) Statement of Compliance

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 and generally accepted accounting principles in India.

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. All amounts have been rounded-off to the nearest Lacs, unless otherwise indicated and amounts less than Rs. 500/- have been presented as "0.00". The company has prepared the financial statement on the basis it will continue to operate as a going concern.

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. Estimates and underlying assumptions are reviewed on an ongoing basis.

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.

ii) Taxes:

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. Significant management judgement is also required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies, including estimates of temporary differences reversing on account of available benefits from the Income Tax Act, 1961.

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 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 contingent liabilities, provisions and uncertain tax positions:

There are various legal, direct and indirect tax matters and other obligations including local and state levies, availing input tax credits etc., which may impact the Company. Evaluation of uncertain liabilities and contingent liabilities arising out of above matters and 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 cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

vi) Impairment of Financial Assets:

The impairment provisions for trade receivables are made considering simplified approach based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation based on the company's past history and other factors at the end of each reporting period. In case of other financial assets, the Company applies general approach for recognition of impairment losses wherein the Company uses judgement in considering the probability of default upon initial recognition and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

vii) Fair value measurement of financial instruments:

In estimating the fair value of financial assets and financial liabilities, the Company uses market observable data to the extent available. Where such Level 1 inputs are not available, the Company establishes appropriate valuation techniques and inputs to the model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

viii) Impairment of non financial assets:

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted future cashflows model. The recoverable amount is sensitive to the discount rate used for the discounted future cashflows model as well as the expected future cash-inflows and the growth rate used.

c) 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.

3 Summary of Material Accounting Policies

a) Cash And Cash Equivalents

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.

b) 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 Balances

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 and the amount is billable.

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.

c) Property, Plant & Equipments

Recognition and Measurement

Property, Plant and Equipments 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), other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use. In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour and allocation of overheads. Borrowing cost relating to acquisition / construction of Property, Plant and Equipment which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

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 recognised so as to write off the cost of assets (other than freehold land) less their residual values over their useful lives, using Straight Line method. The useful life of property, plant and equipment is considered based on life prescribed in part C of Schedule II to the Companies Act, 2013. In case of major components identified, depreciation is provided based on the useful life of each such component based on technical assessment, if materially different from that of the main asset. 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.

d) 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

e) Financial Instruments

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognized immediately in the Statement of Profit and Loss. Financial assets and financial liabilities are offset when the Company has a legally enforceable right (not contingent on future events) to off-set the recognized amounts either to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

a) Financial assets

Initial recognition and measurement

All regular way purchases or sales of financial assets are recognized and derecognised on a trade date basis i.e. the date that the Company commits to purchase or sell the assets. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within a timeframe established by regulation or convention in the market place.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified based on assessment of business model in which they are held. This assessment is done for portfolio of the financial assets. The relevant categories are as below:

i) At amortised cost

A financial asset is measured at the amortised cost if both the following conditions are met :

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

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost 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 Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

ii) At fair value through Other comprehensive income (FVTOCI)

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

(a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the Other Comprehensive Income (OCI) and on derecognition, cumulative gain or loss previously recognised in OCI is reclassified to Statement of Profit and Loss. For equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment.

iii) At fair value through profit and loss (FVTPL)

Financial assets which are not measured at amortised cost or FVTOCI and are held for trading are measured at FVTPL. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any dividend or interest earned on the financial asset.

Derecognition of Financial Assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in the Statement of Profit and Loss if such gain or loss would have otherwise been recognized in the Statement of Profit and Loss on disposal of that financial asset.

Impairment of Financial Assets

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortised cost, trade receivables and other contractual rights to receive cash or other financial asset. Expected credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. The Company estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument. The Company assesses at each Balance sheet date whether a financial asset or a Group of financial assets is impaired. Ind AS 109, 'Financial Instruments' requires expected credit losses to be measured through a loss allowance. The Company recognizes credit loss allowance using the lifetime expected credit loss model for trade receivables.

b) Financial liabilities and equity instruments

Financial liabilities are classified, at initial recognition as at amortised cost or fair value through profit or loss. The measurement of financial liabilities depends on their classification, as described below:

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings, including intercorporate deposits, bank overdrafts / cash credit.

Subsequent measurement

All financial liabilities are measured at amortised cost using the effective interest method or at FVTPL.

(i) Financial liabilities at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item in the Statement of Profit and Loss. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition. Trade and other payables are recognized at the transaction cost, which is its fair value, and subsequently measured at amortised cost.

(ii) Financial liabilities at FVTPL

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if these are incurred for the purpose of repurchasing in the near term. Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognized in profit or loss.

Derecognition of Financial Liability

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognized in the Statement of Profit and Loss.

f) Employee Benefits

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

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.

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 company 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

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.

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.

g) 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.

h) 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.

Company as a lessee

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.

For a lease modification that is not a separate lease, at the effective date of the modification, the lessee accounts for the lease modification by remeasuring the lease liability using a discount rate determined at that date and the lessee makes a corresponding adjustment to the right-of-use asset

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.

i) 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.

j) Income Taxes

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.

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.

k) 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
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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.

l) 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.

m) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised for when the Company has at present, legal or contractual obligation as a result of past events, only if it is probable that an outflow of resources embodying economic outgo or loss will be required and if the amount involved can be measured reliably. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. The Company recognises provision for asset retirement obligation in accordance with the mining services contract.

Contingent liabilities being a possible obligation as a result of past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more future events not wholly in control of the Company are not recognised in the accounts. The nature of such liabilities and an estimate of its financial effect are disclosed in notes to the financial statements.

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.

n) Expenditure Policy

Expenses are recognised net of taxes recoverable, where applicable.

ADANI TRACKS MANAGEMENT SERVICES LIMITED

Notes to Financial Statements for the year ended 31 March 2024

4 Property, Plant & Equipments, Right-Of-Use Assets & Intangible Assets

(Rs. in Lacs)

Particulars	Property, Plant & Equipments									ROU Lease Land	Intangible Assets		Grand Total
	Land (Free Hold)	Building	Plant & Machinery	Office Equipment	Computer Hardware	Furniture & Fixture	Electrical Installation	Vehicles	Total		Computer Software	Total	
A. Year Ended 31 March 2023													
Gross Carrying Value as at 01-Apr-22													
Opening Gross Carrying Amount	212.53	16,195.81	1,73,576.06	171.11	28.26	37.22	10,401.94	15.39	2,00,638.32	20,606.93	1.48	1.48	2,21,246.73
Addition during the Year	1,109.47	3.36	557.23	42.00	-	0.00	0.08	-	1,712.14	-	-	-	1,712.14
Transfer During the Year	-	-	-	-	-	-	-	-	-	-	-	-	-
Deduction during the Year	-	12.49	0.65	19.55	0.93	0.19	-	-	33.81	-	-	-	33.81
Closing Gross Carrying Value as at 31-Mar-23	1,322.00	16,186.68	1,74,132.64	193.56	27.33	37.03	10,402.02	15.39	2,02,316.65	20,606.93	1.48	1.48	2,22,925.06
Accumulated Depreciation as at 01-Apr-22													
Opening Accumulated Depreciation	-	4,341.75	58,457.85	51.44	19.19	20.16	4,596.66	5.42	67,492.47	2,999.19	1.48	1.48	70,493.14
Depreciation during the year	-	758.67	11,926.63	36.49	3.40	3.70	1,102.28	1.90	13,833.07	769.52	-	-	14,602.59
Transfer During the Year	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	12.49	0.43	19.05	0.93	0.18	-	-	33.08	-	-	-	33.08
Closing Accumulated Depreciation as at 31-Mar-23	-	5,087.93	70,384.05	68.88	21.66	23.68	5,698.94	7.32	81,292.46	3,768.71	1.48	1.48	85,062.65
Net Carrying Amount as at 31-Mar-23	1,322.00	11,098.75	1,03,748.59	124.68	5.67	13.35	4,703.08	8.07	1,21,024.19	16,838.22	-	-	1,37,862.41
B. Year Ended 31 March 2024													
Gross Carrying Value as at 01-Apr-23													
Opening Gross Carrying Amount	1,322.00	16,186.68	1,74,132.64	193.56	27.33	37.03	10,402.02	15.39	2,02,316.65	20,606.93	1.48	1.48	2,22,925.06
Addition during the year	24.32	559.84	23,563.91	34.82	440.16	3.33	-	-	24,626.38	-	-	-	24,626.38
Transfer During the year	-	-	-	-	-	-	-	-	-	-	-	-	-
Deduction during the year	-	-	559.10	-	-	-	28.73	-	587.83	-	-	-	587.83
Closing Gross Carrying Value as at 31-Mar-24	1,346.32	16,746.52	1,97,137.45	228.38	467.49	40.36	10,373.29	15.39	2,26,355.20	20,606.93	1.48	1.48	2,46,963.61
Accumulated Depreciation as at 01-Apr-23													
Opening Accumulated Depreciation	-	5,087.93	70,384.05	68.88	21.66	23.68	5,698.94	7.32	81,292.46	3,768.71	1.48	1.48	85,062.65
Depreciation During the year	-	768.09	12,101.78	42.76	6.24	3.66	1,098.87	1.57	14,022.97	769.52	-	-	14,792.49
Transfer During the year	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	4.17	-	4.17	-	-	-	4.17
Closing Accumulated Depreciation as at 31-Mar-24	-	5,856.02	82,485.83	111.64	27.90	27.34	6,793.64	8.89	95,311.26	4,538.23	1.48	1.48	99,850.97
Net Carrying Amount as at 31-Mar-24	1,346.32	10,890.50	1,14,651.62	116.74	439.59	13.02	3,579.65	6.50	1,31,043.94	16,068.70	-	-	1,47,112.64

Note :

- The Company has not revalued its Property, Plant and Equipments during the year.
- Refer note 43 (i) for details of charges registered against assets.

ADANI TRACKS MANAGEMENT SERVICES LIMITED
Notes to Financial Statements for the year ended 31 March 2024

5 Capital Work-In-Progress

	(Rs. in Lacs)	
	As at 31-Mar-2024	As at 31-Mar-2023
Projects in progress	13,632.88	27,155.72
Capital Inventory	375.75	466.78
	14,008.63	27,622.50

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

(Rs. in Lacs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31st March, 2024					
- Projects in progress	3,707.64	5,030.08	2,537.07	2,733.84	14,008.63
- Projects temporarily suspended	-	-	-	-	-
Total	3,707.64	5,030.08	2,537.07	2,733.84	14,008.63
As at 31st March, 2023					
- Projects in progress	20,491.58	4,093.20	587.84	2,449.88	27,622.50
- Projects temporarily suspended	-	-	-	-	-
Total	20,491.58	4,093.20	587.84	2,449.88	27,622.50

The company annually modulates Project execution plans on the basis of various economic and regulatory developments and all the projects are executed as per the rolling annual plans and annual capex budgets.

Refer note 43 (i) for details of charges registered against assets.

6 Other Non Current Financial Assets

(Unsecured, Considered Good)

	(Rs. in Lacs)	
	As at 31-Mar-2024	As at 31-Mar-2023
Security Deposits	208.65	207.85
	208.65	207.85

Refer note 43 (i) for details of charges registered against assets.

7 Other Non Current Assets

	(Rs. in Lacs)	
	As at 31-Mar-2024	As at 31-Mar-2023
Capital Advances	259.04	664.36
Balances with Government Authorities (GST Receivable)	29.23	34.41
Prepaid Expenses	638.39	653.32
	926.66	1,352.09

Refer note 43 (i) for details of charges registered against assets.

8 Trade Receivables

	(Rs. in Lacs)	
	As at 31-Mar-2024	As at 31-Mar-2023
Unsecured, Considered good	14,026.65	8,722.97
	14,026.65	8,722.97

for dues from the related party (Refer note 34)

Refer note 43 (i) for details of charges registered against assets.

Note :

The Company is having its major receivables against services to Rajasthan Rajya Vidyut Utpadan Nigam Limited (RVUNL) and Indian Railways which are Government undertaking. The Company is regularly receiving its dues from RVUNL and Indian Railways 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.

ADANI TRACKS MANAGEMENT SERVICES LIMITED
Notes to Financial Statements for the year ended 31 March 2024

Trade Receivables Ageing as on 31-Mar-2024

(Rs. in Lacs)

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	3,273.04	8,689.78	1,863.28	130.71	-	69.84	14,026.65
2	Undisputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-	-
3	Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-
4	Disputed Trade receivables - Considered good	-	-	-	-	-	-	-
5	Disputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-	-
6	Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
	Total	3,273.04	8,689.78	1,863.28	130.71	-	69.84	14,026.65

Trade Receivables Ageing as on 31-Mar-2023

(Rs. in Lacs)

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	5,493.31	2,278.70	-	9.54	0.38	941.04	8,722.97
2	Undisputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-	-
3	Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-
4	Disputed Trade receivables - Considered good	-	-	-	-	-	-	-
5	Disputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-	-
6	Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
	Total	5,493.31	2,278.70	-	9.54	0.38	941.04	8,722.97

9 Cash & cash equivalents

(Rs. in Lacs)

	As at 31-Mar-2024	As at 31-Mar-2023
Balances with banks		
- In Current Account	1,001.87	63.55
	1,001.87	63.55

Refer note 43 (i) for details of charges registered against assets.

10 Current Loans

(Unsecured, Considered good)

(Rs. in Lacs)

	As at 31-Mar-2024	As at 31-Mar-2023
Unsecured Loans		
Loans to Employees	7.91	-
	7.91	-

11 Other Current Financial Assets

(Unsecured, Considered good)

(Rs. in Lacs)

	As at 31-Mar-2024	As at 31-Mar-2023
Unbilled Receivable - Contract Assets	0.29	24.28
Security Deposits	311.84	1.50
	312.13	25.78

1. For dues from the related party (Refer note 34)

2. Refer note 43 (i) for details of charges registered against assets.

12 Other Current Assets

(Rs. in Lacs)

	As at 31-Mar-2024	As at 31-Mar-2023
Advance against expenses	126.19	1,747.78
Employee Advances	6.10	2.35
Balances with Government Authorities (GST Receivable)	1,030.79	3,615.96
Prepaid Expenses	24.01	17.35
	1,187.09	5,383.44

Refer note 43 (i) for details of charges registered against assets.

ADANI TRACKS MANAGEMENT SERVICES LIMITED
Notes to Financial Statements for the year ended 31 March 2024

13 Share Capital

Particulars	(Rs. in Lacs)	
	As at 31-Mar-2024	As at 31-Mar-2023
Authorised Share Capital		
20,50,50,000 Equity Shares of Rs. 10/- each (As on 31.03.2023 20,50,50,000 Equity Shares of Rs. 10/- each)	20,505.00	20,505.00
Issued, subscribed and fully paid-up share capital		
20,00,01,983 Equity Shares of Rs. 10/- each (As on 31.03.2023 20,00,01,983 Equity Shares of Rs. 10/- each)	20,000.20	20,000.20
	20,000.20	20,000.20

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

Equity shares	As at 31-Mar-2024		As at 31-Mar-2023	
	Numbers	(Rs. in Lacs)	Numbers	(Rs. in Lacs)
At the beginning of the year	20,00,01,983	20,000.20	20,00,01,983	20,000.20
Issued during the year	-	-	-	-
Outstanding at the end of the year	20,00,01,983	20,000.20	20,00,01,983	20,000.20

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 company

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-2024		As at 31-Mar-2023	
	Numbers	(Rs. in Lacs)	Numbers	(Rs. in Lacs)
Adani Ports and Special Economic Zone Limited (Holding Company with its nominees)	20,00,01,983	20,000.20	20,00,01,983	20,000.20
	20,00,01,983	20,000.20	20,00,01,983	20,000.20

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

Equity Shares	As at 31-Mar-2024		As at 31-Mar-2023	
	Numbers	% holding	Numbers	% holding
Adani Ports and Special Economic Zone Limited (Holding Company with its nominees)	20,00,01,983	100%	20,00,01,983	100%
	20,00,01,983	100%	20,00,01,983	100%

e. Details of shares held by promoters

Particulars	As at 31-Mar-2024			As at 31-Mar-2023		
	No. of Shares	% holding in the class	% Change	No. of Shares	% holding in the class	% Change
Adani Ports and Special Economic Zone Limited.*	20,00,01,983	100%	0%	20,00,01,983	100%	0%

* Shares held by Adani Ports and Special Economic Zone Limited including Six Nominee Shareholders.

ADANI TRACKS MANAGEMENT SERVICES LIMITED
Notes to Financial Statements for the year ended 31 March 2024

14 Instruments entirely Equity in nature

Particulars	(Rs. in Lacs)	
	As at 31-Mar-2024	As at 31-Mar-2023
Unsecured Perpetual Securities		
At the beginning of the year	-	-
Add : Issued during the year	-	90,000.00
Less : Redeemed during the year	-	(90,000.00)
Outstanding at the end of the year	-	-

During the previous year, the Company had issued and redeemed Perpetual Securities of Rs. 90,000.00 Lacs. to Adani Ports and SEZ Limited. These securities were perpetual in nature with no maturity or redemption and were payable only at the option of the Company. The distribution on these Securities are cumulative at the rate of 7.5% p.a. and at the discretion of the Company. As these Securities were perpetual in nature and ranked senior only to the Equity Share Capital of the Company and the Company does not have any redemption obligation, these were considered to be in the nature of equity instruments.

15 Other Equity

Particulars	(Rs. in Lacs)	
	As at 31-Mar-2024	As at 31-Mar-2023
Retained Earnings		
Opening Balance	90,430.29	62,031.68
Profit/(Loss) for the year	17,399.32	28,398.06
Other Comprehensive Income /(Loss)	(33.80)	0.55
Changes on account of Scheme of Arrangement	-	-
Closing Balance	1,07,795.81	90,430.29
Capital Reserve		
Opening Balance	7,169.54	7,169.54
Closing Balance	7,169.54	7,169.54
Securities Premium		
Opening Balance	1,411.30	1,411.30
Closing Balance	1,411.30	1,411.30
Total Other Equity	1,16,376.65	99,011.13

Nature and Purpose of Reserves

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.

ADANI TRACKS MANAGEMENT SERVICES LIMITED
Notes to Financial Statements for the year ended 31 March 2024

16 Non-Current Lease Liabilities

	(Rs. in Lacs)	
	As at 31-Mar-2024	As at 31-Mar-2023
Lease Liability (Refer Note : 35)	5,569.95	5,560.68
	5,569.95	5,560.68

17 Non-Current Provisions

	(Rs. in Lacs)	
	As at 31-Mar-2024	As at 31-Mar-2023
Provision for Gratuity (Refer note : 32)	125.91	17.59
Provision for Compensated Absences (Refer note : 32)	47.91	14.23
	173.82	31.82

18 Current Borrowings

	(Rs. in Lacs)	
	As at 31-Mar-2024	As at 31-Mar-2023
Unsecured		
8% Compulsory Convertible Debenture	12,879.64	12,879.64
Unsecured Loan from Holding Company	4,157.43	25,797.10
	17,037.07	38,676.74

for dues from the related party (Refer note 34)

Notes :

(i) 8% Compulsory Convertible Debenture (CCD) comprises of 1,28,79,640 CCD having face value of Rs. 100 each which was issued on 1st July, 2017 and are convertible any time after 3 years period from the date of issue upto 10 years i.e. 31st March, 2027. Compulsorily Convertible Debentures shall be converted into equity shares using conversion ratio which is face value divided by price per equity share as determined by valuation methodology at the time of conversion.

(ii) Unsecured Corporate Loan is received from the holding company for short-term purposes and it carries an interest rate of 7.5% p.a.

19 Trade Payables

	(Rs. in Lacs)	
	As at 31-Mar-2024	As at 31-Mar-2023
Trade payables		
- Total outstanding dues of micro and small enterprises	29.99	447.22
- Total outstanding dues of creditors other than micro and small enterprises	1,820.92	4,976.76
	1,850.91	5,423.98

Note:

- For dues to related party (Refer note 34)
- Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 :

	(Rs. in Lacs)	
	As at 31-Mar-2024	As at 31-Mar-2023
i) Principal amount remaining unpaid to any supplier as at the end of the year	29.99	447.22
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.

ADANI TRACKS MANAGEMENT SERVICES LIMITED
Notes to Financial Statements for the year ended 31 March 2024

c) Ageing schedule:

Trade Payables Ageing as on 31-Mar-2024

Sr No	Particulars	Outstanding for following periods from due date of Payment					Total
		Not Due (including expense provisions)	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
1	MSME	25.51	4.48	-	-	-	29.99
2	Others	1,502.17	303.21	7.25	8.29	-	1,820.92
3	Disputed dues - MSME	-	-	-	-	-	-
4	Disputed dues - Others	-	-	-	-	-	-
	Total	1,527.68	307.69	7.25	8.29	-	1,850.91

Trade Payables Ageing as on 31-Mar-2023

Sr No	Particulars	Outstanding for following periods from due date of Payment					Total
		Not Due (including expense provisions)	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
1	MSME	447.22	-	-	-	-	447.22
2	Others	2,486.40	2,468.91	20.04	1.41	-	4,976.76
3	Disputed dues - MSME	-	-	-	-	-	-
4	Disputed dues - Others	-	-	-	-	-	-
	Total	2,933.62	2,468.91	20.04	1.41	-	5,423.98

20 Other Current Financial Liabilities

	(Rs. in Lacs)	
	As at 31-Mar-2024	As at 31-Mar-2023
Retention Money	1,526.49	1,070.18
Capital Creditors	2,168.95	1,592.49
Interest Accrued but Not Due	980.50	744.41
Other Payable	154.56	-
Security Deposit from Customers	24.50	4.00
	4,855.00	3,411.08

For dues to related party (Refer note 34)

21 Current Lease Liabilities

	(Rs. in Lacs)	
	As at 31-Mar-2024	As at 31-Mar-2023
Current Lease Liability (Refer Note : 35)	325.66	309.29
	325.66	309.29

22 Other Current Liabilities

	(Rs. in Lacs)	
	As at 31-Mar-2024	As at 31-Mar-2023
Statutory Dues Payable (includes GST,TDS, PF and ESI)	995.63	3,738.31
Advance from Customers	9,453.12	4,612.25
	10,448.75	8,350.56

23 Current Provisions

	(Rs. in Lacs)	
	As at 31-Mar-2024	As at 31-Mar-2023
Provision for Gratuity (Refer note : 32)	19.71	0.77
Provision for Compensated Absences (Refer note : 32)	14.17	3.07
	33.88	3.84

24 Revenue from Operations

	(Rs. in Lacs)	
	For the year ended 31-Mar-2024	For the year ended 31-Mar-2023
Revenue from Contracts with Customers		
Track Access Charges	27,405.64	39,141.35
Income from Rail Operations	31,158.00	26,951.34
	58,563.64	66,092.69

ADANI TRACKS MANAGEMENT SERVICES LIMITED
Notes to Financial Statements for the year ended 31 March 2024

Note :

(a) Reconciliation of revenue recognised with contract price:

	(Rs. in Lacs)	
	For the year ended 31-Mar-2024	For the year ended 31-Mar-2023
Contract Price	58,563.64	66,092.69
Adjustment for:		
Refund & Rebate Liabilities	-	-
	58,563.64	66,092.69

b) Significant changes in contract assets and liabilities during the year:

	(Rs. in Lacs)	
	For the year ended 31-Mar-2024	For the year ended 31-Mar-2023
Contract assets reclassified to receivables	24.28	122.69
Contract liabilities recognised as revenue during the year	4,612.25	460.65
	4,636.53	583.34

25 Other Income

	(Rs. in Lacs)	
	For the year ended 31-Mar-2024	For the year ended 31-Mar-2023
Interest Income		
Bank Deposits	-	15.82
Security Deposit	0.80	0.72
Inter Corporate Deposit	-	3,332.65
Late Payment Charges	50.43	167.65
Income from Sale of Scrap	-	5.84
Liability no longer required written back	8.06	44.62
	59.29	3,567.30

26 Operating Expenses

	(Rs. in Lacs)	
	For the year ended 31-Mar-2024	For the year ended 31-Mar-2023
Operation & Maintenance Expenses		
Equipment Rentals	1,165.99	1,432.71
Railway Service Charges	136.44	145.47
Power & Fuel Expenses	2,564.60	1,888.50
Repairs & Maintenance-Railways	2,327.11	2,167.51
Other Operating Expenses	505.33	723.96
Consumption of Stores & Spares	95.05	147.77
	6,794.52	6,505.92

27 Employee Benefits Expense

	(Rs. in Lacs)	
	For the year ended 31-Mar-2024	For the year ended 31-Mar-2023
Salaries, Wages and Bonus	425.04	787.95
Contribution to Provident & Other Funds	30.93	48.14
Staff Welfare Expenses	12.82	24.61
	468.79	860.70

28 Finance Costs

	(Rs. in Lacs)	
	For the year ended 31-Mar-2024	For the year ended 31-Mar-2023
Interest on Borrowings	943.05	4,477.48
Interest on CCD	1,033.19	827.12
Interest on other	58.31	-
Bank & Finance Charges	22.93	103.53
Interest - Lease Liability	528.56	524.61
	2,586.04	5,932.74

ADANI TRACKS MANAGEMENT SERVICES LIMITED
Notes to Financial Statements for the year ended 31 March 2024

29 Other Expenses

	(Rs. in Lacs)	
	For the year ended 31-Mar-2024	For the year ended 31-Mar-2023
Rent	38.53	14.83
Legal & Professional Fees	3,014.66	3,160.16
Travelling & Conveyance Expenses	112.24	182.01
Electricity Expenses	-	31.45
Payment to Auditors		
Statutory Audit Fees	3.25	3.00
Tax Audit Fees	1.15	0.60
Other Attestation Services	0.40	0.45
Security Charges	142.13	106.09
Repairs & Maintenance to:		
Others	3.54	39.73
Communication Expenses	3.71	16.07
Loans & Advances Written Off	-	4.27
Bad Debts Written Off	883.97	-
Insurance	32.07	2.57
Office Expenses	119.77	2.63
Safety Expenses	3.31	2.22
Directors Sitting Fees	0.68	0.80
Corporate Social Responsibility Expenses (Refer Note : 37)	690.12	494.75
Loss on Sale of Scrap	-	0.72
Provision for Non Moving Inventory	15.88	36.09
Miscellaneous Expenses	2.58	11.69
	5,067.99	4,110.13

30 Income Tax Expense

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

	(Rs. in Lacs)	
	For the year ended 31-Mar-2024	For the year ended 31-Mar-2023
Deferred Tax Liabilities		
Difference between book base and tax base of property, plant and equipment	13,237.50	13,511.09
Deferred Tax Assets		
- Net reversal during the tax holiday period	10,414.34	10,812.11
- MAT Credit Entitlement	-	1,724.22
- Asset on account of finance lease transactions	465.89	386.90
Net Deferred Tax Liability / (Asset)	2357.27	587.86

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 2024 and 31st March 2023, are as follows:

	(Rs. in Lacs)	
	As at 31-Mar-2024	As at 31-Mar-2023
Net deferred tax asset / (liability) at the beginning	(587.86)	1,935.69
Tax (Expenses) / Income recognised in:		
Statement of Profit and Loss		
Difference in tax base of assets	273.59	147.65
Unabsorbed Depreciation / Business Loss	-	-
Entitlement / (Utilisation) of Tax Credit (MAT)	(1,724.22)	(2,783.32)
Asset on account of finance lease transactions	78.99	94.26
Net Reversal of Liability during the tax holiday period	(397.77)	18.15
Other Comprehensive Income		
Net Loss/(Gain) on remeasurements of defined benefit plans	-	(0.30)
Net deferred tax asset / (liability) at the end	(2357.27)	(587.86)

ADANI TRACKS MANAGEMENT SERVICES LIMITED
Notes to Financial Statements for the year ended 31 March 2024

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 2024 & 31st March 2023 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-2024	For the year ended 31-Mar-2023
Profit Before Tax	28,913.11	37,647.89
Tax Rate for Corporate Entity as per Income Tax Act, 1961	34.94%	34.94%
Expected tax expense	10,103.40	13,155.68
Tax effect of adjustments to reconcile expected tax expense to reported income tax expense		
- Unrecognised Deferred Tax Liability during the tax holiday period	768.38	213.19
- Deduction under Chapter-VIA	(608.42)	(4,545.24)
- Difference in tax rate on Unrecognised Deferred Tax Liability for the tax holiday period	-	-
- Unrecognised Deferred Tax of previous year	-	-
-Tax impact on Items permanently disallowables for Income Taxes	121.57	177.85
- Tax Adjustment of earlier years	1,128.85	248.67
- Others	-	(0.31)
Total Tax Expense as per Statement of Profit & Loss	11,513.78	9,249.84

ADANI TRACKS MANAGEMENT SERVICES LIMITED

Notes to Financial Statements for the year ended 31 March 2024

31 Financial Instruments, Financial Risk and Capital Management:

a. Fair Value Measurement and Hierarchy

Financial Assets and Liabilities :

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

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-2024 (Rs. in Lacs)

Particulars	FVTPL	Amortised Cost	Total
	Level-2		
Financial Assets			
Trade Receivables	-	14,026.65	14,026.65
Cash and Cash Equivalents	-	1,001.87	1,001.87
Loans	-	7.91	7.91
Other Financial Assets	-	520.78	520.78
Total	-	15,557.21	15,557.21
Financial Liabilities			
Borrowings	-	17,037.07	17,037.07
Trade Payables	-	1,850.91	1,850.91
Lease Liability	-	5,895.61	5,895.61
Other Financial Liabilities	-	4,855.00	4,855.00
Total	-	29,638.59	29,638.59

As at 31-Mar-2023 (Rs. in Lacs)

Particulars	FVTPL	Amortised Cost	Total
	Level-2		
Financial Assets			
Trade Receivables	-	8,722.97	8,722.97
Cash and Cash Equivalents	-	63.55	63.55
Other Financial Assets	-	233.63	233.63
Total	-	9,020.15	9,020.15
Financial Liabilities			
Borrowings	-	38,676.74	38,676.74
Trade Payables	-	5,423.98	5,423.98
Lease Liability	-	5,869.97	5,869.97
Other Financial Liabilities	-	3,411.08	3,411.08
Total	-	53,381.77	53,381.77

ADANI TRACKS MANAGEMENT SERVICES LIMITED

Notes to Financial Statements for the year ended 31 March 2024

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 payables, retentions, capital creditors, deposits. The main purpose of these financial liabilities is to finance the Company's operations/projects. The Company's principal financial assets include trade receivables, cash and cash equivalents, unbilled receivable and deposits. 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. However as on 31st March 2024 company does not have any borrowing which is at variable interest rate. Hence company doesn't have any interest rate risk.

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 institutions. The company maintains exposure in cash and cash equivalents, term deposits with bank. Credit limits and concentration of exposures are actively monitored by finance department of the company.

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. The company has an understanding with parent & other group entities to extend repayment terms of borrowings, if required.

ADANI TRACKS MANAGEMENT SERVICES LIMITED

Notes to Financial Statements for the year ended 31 March 2024

Maturity profile of financial liabilities :

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

As at 31st March, 2024 :

Particulars	Note	(Rs. in Lacs)			
		Less than 1 Year	Between 1 to 5 Years	More than 5 years	Total
Borrowings	18	17,037.07	-	-	17,037.07
Trade Payables	19	1,850.91	-	-	1,850.91
Lease Liabilities	17 & 21	525.22	2,325.84	19,540.55	22,391.61
Other Financial Liabilities	20	4,855.00	-	-	4,855.00
Total Financial Liabilities		24,268.20	2,325.84	19,540.55	46,134.59

As at 31st March, 2023 :

Particulars	Note	(Rs. in Lacs)			
		Less than 1 Year	Between 1 to 5 Years	More than 5 years	Total
Borrowings	18	38,676.74	-	-	38,676.74
Trade Payables	19	5,423.98	-	-	5,423.98
Lease Liabilities	17 & 21	502.91	2,231.70	20,159.90	22,894.51
Other Financial Liabilities	20	3,411.08	-	-	3,411.08
Total Financial Liabilities		48,014.71	2,231.70	20,159.90	70,406.31

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 less cash and bank balances) divided by total capital plus debt.

Particulars	(Rs. in Lacs)	
	As at 31-Mar-2024	As at 31-Mar-2023
Total Borrowings (Refer Note : 18)	17,037.07	38,676.74
Less: Cash and Bank Balances (Refer Note : 9)	1,001.87	63.55
Net Debt (A)	16,035.20	38,613.19
Total Equity (B)	1,36,376.85	1,19,011.33
Total Equity and Net Debt (C = A + B)	1,52,412.05	1,57,624.53
Gearing ratio	10.52%	24.50%

There have been no breaches in the financial covenants of any borrowing in the current period. No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March, 2024 and 31st March, 2023.

ADANI TRACKS MANAGEMENT SERVICES LIMITED
Notes to Financial Statements for the year ended 31 March 2024

32 Employee Benefits

- (a) The Company provides for gratuity for eligible employees in India as per the Payment of Gratuity Act, 1972, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Liability in respect of Gratuity is determined based on actuarial valuation done by actuary as at the balance sheet date. Disclosures in respect of the defined benefit obligation (i.e. Gratuity) are as follows.

Particulars	(Rs. in Lacs)	
	Gratuity	
	As at 31-Mar-2024	As at 31-Mar-2023
Expense recognised in the Statement of Profit and Loss		
Current Service Cost	12.03	5.17
Interest Cost	7.27	0.91
Expected Return on Plan Assets	-	-
Net Actuarial (Gains) / Losses	33.80	(0.85)
	53.10	5.22
Net Asset / (Liability) recognised in the Balance Sheet		
Present Value of Obligations	145.62	18.36
Fair Value of Plan Assets	-	-
Net Asset / (Liability)	(145.62)	(18.36)
Change in Obligations during the year		
Present Value of Obligations at the beginning of the year	18.36	15.75
Current Service Cost	12.03	5.17
Interest Cost	7.27	0.91
Benefits Paid	(4.14)	-
Actuarial (Gains) / Losses	33.80	(0.85)
Acquisition Adjustment	78.30	(2.61)
Present Value at the end of the year	145.62	18.36
Actuarial Adjustment		
(Gain) / Loss for Plan Liabilities	33.80	(0.85)
Gain / (Loss) for Plan Assets	-	-
Actuarial Assumptions		
Discount Rate	7.20%	7.50%
Expected Rate of Return on Plan Assets	NA	NA
Mortality / Pre-retirement	IALM 12-14 Ultimate	IALM 12-14 Ultimate
Turnover Rate		
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-2024	As at 31-Mar-2023	As at 31-Mar-2024	As at 31-Mar-2023
Discount Rate (- / + 1%)	(14.85)	(1.52)	17.51	1.74
Salary Growth Rate (- / + 1%)	16.86	1.68	(14.62)	(1.50)
Attrition Rate (- / + 50%)	-	(0.99)	-	1.26
Mortality Rate (- / + 10%)	(0.10)	(0.01)	0.10	0.01

ADANI TRACKS MANAGEMENT SERVICES LIMITED
Notes to Financial Statements for the year ended 31 March 2024

Maturity Profile of Obligations

The average duration of the defined benefit plan obligation at the end of the reporting period is 11 years (31 March 2023: 9 years). The expected maturity analysis of gratuity benefits is as follows :

	Rupees in Lacs	
	As at	As at
	31-Mar-2024	31-Mar-2023
Less than a year	19.71	0.77
Between 2 to 5 years	14.80	4.13
Between 6 to 10 years	83.25	14.23
Beyond 10 years	264.71	21.94

(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) Defined Benefit Contributions :

The company operates defined benefit contribution in the form of Provident Fund, liability in respect of which is provided for on actual contribution basis.

Particulars	(Rs. in Lacs)	
	For the	For the
	year ended	year ended
	31-Mar-2024	31-Mar-2023
Provident Fund	12.62	25.03

(e) 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, 2024 is Rs. 62.08 lacs (Previous Year Rs. 17.30 lacs).

33 Earning Per Share (EPS)

	For the	For the
	year ended	year ended
	31-Mar-2024	31-Mar-2023
Profit / (Loss) for calculation of basic and diluted EPS (Rs. in Lacs)	17,399.32	28,398.06
Weighted average number of equity shares for calculating Basic EPS	20,00,01,983	20,00,01,983
Weighted average number of equity shares for calculating Diluted EPS	20,00,01,983	20,00,01,983
Face value of equity shares (in Rupees)	10	10
Basic Earning Per Share (in Rupees)	8.70	14.20
Diluted Earning Per Share (in Rupees)	8.70	14.20

ADANI TRACKS MANAGEMENT SERVICES LIMITED
Notes to Financial Statements for the year ended 31 March 2024

34 Related Parties

Disclosure of transactions with Related Parties, as required by Ind AS 24 "Related Party Disclosures" has been set out below. Related parties as defined under clause 9 of the Ind AS 24 have been identified on the basis of representations made by the management and information available with the Company.

Ultimate Holding Entity	: S B Adani Family Trust
Holding Company	: Adani Ports and Special Economic Zone Limited (Adani Ports and SEZ Limited)
Subsidiary Company	: Nil
Fellow Subsidiary (with whom transactions during the year)	: Adani Logistics Limited : Karnavati Aviation Private Limited : Adani Forwarding Agent Private Limited : Adani Hazira Port Limited
Entities under Common Influence (with whom transactions during the year)	: Adani Enterprises Limited : Gare Pelma III Collieries Limited : Parsa Kente Collieries Limited : Adani Properties Private Limited : Kurmitar Iron Ore Mining Private Limited : MPSEZ Utilities Limited : Adani Wilmar Limited : Mahan Energen Limited : Adani Skill Development Center : Adani Power Limited : Adani Power (Jharkhand) Limited : Ambuja Cements Limited : ACC Limited : Adani Bunkering Private Limited : Adani Foundation
Key Management Personnel	: Mr. Shailendra Kumar Sharma (MD) (From 20-Oct-23) (Additional Director from 20-Oct-23 to 31-Oct-23) : Mr. Dilip Kumar Jha (CFO and Director) (Upto - 20-Jan-24) : Mr. Amitabh Mishra (Additional Director) (From 31-Jan-24) : Mr. Amitabh Mishra (CFO) (From 01-Feb-24) : Mrs. Birva Chiragbhai Patel : Mr. Jatin Devendrakumar Bhavsar (CS) : Mr. Sajal Mittra (MD) (Upto - 31-Oct-23) : Mr. Jiwan Kumar Mukherjee (Upto - 30-Jun-23)

(Rs. in Lacs)

Information of Transaction with Related Parties	For the Year Ended 31-Mar-2024	For the Year Ended 31-Mar-2023
<u>Borrowing Received</u>		
Holding Company : Adani Ports and SEZ Limited #	40,089.73	36,351.06
<u>Borrowing Repaid</u>		
Holding Company : Adani Ports and SEZ Limited	61,729.40	73,450.20
<u>Perpetual Securities Issued</u>		
Holding Company : Adani Ports and SEZ Limited	-	90,000.00
<u>Perpetual Securities Redeemed</u>		
Holding Company : Adani Ports and SEZ Limited	-	90,000.00
<u>Securities Provided</u>		
Holding Company : Adani Ports and SEZ Limited	-	1,60,000.00
<u>Corporate Guarantees Released</u>		
Entity under Common Influence : Adani Properties Private Limited	-	90,000.00
<u>Rent Charges Paid</u>		
Holding Company : Adani Ports and SEZ Limited	132.55	132.55
<u>Interest Expense</u>		
Holding Company : Adani Ports and SEZ Limited	1,976.25	4,277.64
<u>Service availed (Incl. Reimbursement of Expenses)</u>		
Holding Company : Adani Ports and SEZ Limited	1,785.94	25,517.34
Fellow Subsidiary : Karnavati Aviation Private Limited	27.40	127.87
Entity under Common Influence : Adani Enterprises Limited	2,913.88	2,904.77
: MPSEZ Utilities Limited	2,429.08	-

ADANI TRACKS MANAGEMENT SERVICES LIMITED
Notes to Financial Statements for the year ended 31 March 2024

	(Rs. in Lacs)	
Information of Transaction with Related Parties	For the Year Ended 31-Mar-2024	For the Year Ended 31-Mar-2023
<u>Rendering of Services (Incl. Reimbursement of Expenses)</u>		
Fellow Subsidiary : Adani Logistics Limited	436.18	200.87
Entity under Common Influence : Adani Power Limited	325.98	1,894.55
: Adani Power (Jharkhand) Limited	84.29	-
: Adani Bunkering Private Limited	55.50	6.00
: Adani Wilmar Limited	162.00	44.00
: Mahan Energen Limited	126.41	481.55
: Ambuja Cements Limited	62.43	-
: ACC Limited	134.53	2.31
<u>Transfer Out of Employee Liabilities</u>		
Entity under Common Influence : Gare Pelma III Collieries Limited	-	3.20
: Parsa Kente Collieries Limited	0.30	-
: Kurmitar Iron Ore Mining Private Limited	0.18	-
<u>Transfer In of Employee Liabilities</u>		
Holding Company : Adani Ports and SEZ Limited	104.30	-
Entity under Common Influence : Adani Enterprises Limited	2.11	1.02
<u>Director Sitting Fees</u>		
Key Management Personnel : Mrs. Birva Chiragbhai Patel	0.90	0.80
<u>Remuneration</u>		
Key Management Personnel : Mr. Akhil Kumar Jain	-	7.21
<u>Donation</u>		
Entity under Common Influence : Adani Skill Development Center	-	16.20
: Adani Foundation	347.91	175.75
<u>Purchase of Inventory</u>		
Fellow Subsidiary : Adani Hazira Port Limited	0.01	-
Entity under Common Influence : Ambuja Cements Limited	4.59	-
<u>Sale of Inventory</u>		
Entity under Common Influence : Adani Enterprises Limited	-	36.51

	(Rs. in Lacs)	
Closing Balance with Related Parties	As at 31-Mar-2024	As at 31-Mar-2023
<u>Dues payable outstanding at the year end</u>		
Holding Company : Adani Ports and SEZ Limited	1,005.01	1,778.28
Fellow Subsidiary : Karnavati Aviation Private Limited	-	12.00
: Adani Forwarding Agent Private Limited	0.02	-
: Adani Logistics Limited	154.56	-
Entity under Common Influence : Adani Enterprises Limited	1,157.80	2,082.88
: Gare Pelma III Collieries Limited	-	3.20
: Kurmitar Iron Ore Mining Private Limited	0.18	-
: Parsa Kente Collieries Limited	0.30	-
: Adani Skill Development Center	-	1.75
<u>Dues receivable outstanding at the year end</u>		
Fellow Subsidiary : Adani Logistics Limited	79.59	40.59
Entity under Common Influence : Adani Power Limited	19.58	80.61
: Adani Power (Jharkhand) Limited	32.10	-
: Adani Bunkering Private Limited	1.50	5.88
: Adani Wilmar Limited	18.48	11.60
: Adani Enterprises Limited	-	43.70
: Ambuja Cements Limited	9.98	-
: ACC Limited	6.73	2.73
: MPSEZ Utilities Limited	84.50	-
: Mahan Energen Limited	12.86	92.31
<u>Advance Given to Supplier</u>		
Entity under Common Influence : MPSEZ Utilities Limited	0.25	1,651.43
<u>Interest Accrued but not Due Payable</u>		
Holding Company : Adani Ports and SEZ Limited	980.50	744.41
<u>Unsecured Loan Balance Payable</u>		
Holding Company : Adani Ports and SEZ Limited	4,157.43	25,797.10
<u>Corporate Guarantees Given Balance</u>		
Entity under Common Influence : Adani Ports and SEZ Limited	1,65,116.72	1,65,097.21

ADANI TRACKS MANAGEMENT SERVICES LIMITED
Notes to Financial Statements for the year ended 31 March 2024

Includes Interest accrued but not due (net off TDS) as on 31st March 2024 of Rs. 83.21 lacs (As on 31st March, 2023 Rs.3378.06 lacs) on Borrowings converted to Borrowings as on reporting date as per the terms of the Contract.

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.
- (iii) Provision for Compensated absences and Gratuity is provided in the books on the basis of actuarial valuation for the Company as a whole and hence individual figures cannot be identified.

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%.

i. The movement in Lease liabilities during the year

Particulars	(Rs. in Lacs)	
	As at 31-Mar-2024	As at 31-Mar-2023
Opening Balance	5,869.97	5,833.61
Add: Finance costs incurred during the year	528.56	524.61
Less: Payments of Lease Liabilities	502.92	488.25
Closing Balance (Refer note 16 & 21)	5,895.61	5,869.97

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

Particulars	(Rs. in Lacs)	
	As at 31-Mar-2024	As at 31-Mar-2023
Gross Carrying Value		
Opening Balances	5,643.94	5,643.94
Additions during the Year	-	-
Deductions during the Year	-	-
Right of use assets as at end of the year	5,643.94	5,643.94
Accumulated Depreciation		
Opening Balances	863.71	647.78
Depreciation charged for the Year	215.93	215.93
Deductions of accumulated depreciation	-	-
Closing value of Accumulated Depreciation	1,079.63	863.71

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

Particulars	(Rs. in Lacs)	
	For the Year Ended on 31-Mar-2024	31-Mar-2023
(i) Expenses related to Short Term Lease & Low Asset Value Lease	38.53	14.83
(ii) Lease Expenses		
Finance costs incurred during the year	528.56	524.61
Depreciation charged for the Year	215.93	215.93
Total Expenses	783.02	755.36

ADANI TRACKS MANAGEMENT SERVICES LIMITED
Notes to Financial Statements for the year ended 31 March 2024

iv. Amounts recognised in statement of cash flows

Particulars	(Rs. in Lacs)	
	For the Year Ended on	
	31-Mar-2024	31-Mar-2023
Total Cash outflow for Leases	502.92	488.25
	502.92	488.25

v. Maturity analysis of lease liabilities

Particulars	(Rs. in Lacs)	
	As at 31-Mar-2024	As at 31-Mar-2023
Maturity Analysis of contractual undiscounted cash flows		
Less than one year	525.22	502.91
One to five years	2,325.84	2,231.70
More than five years	19,540.55	20,159.90
Total undiscounted lease liabilities	22,391.61	22,894.51
Balances of Lease Liabilities		
Non Current Lease Liability	5,569.95	5,560.68
Current Lease Liability	325.66	309.29
Total Lease Liability	5,895.61	5,869.97

ADANI TRACKS MANAGEMENT SERVICES LIMITED
Notes to Financial Statements for the year ended 31 March 2024

36 Ratio Analysis :

Name of Ratio	Particulars	Numerator / Denominator taken	2023-24	2022-23	% change in Ratio	Remarks
(a) Current Ratio	Ratio		0.48	0.26	89.55%	Ratio is increased due to loan taken was repaid during the current year.
	Numerator	Current Assets	16,722.88	14,351.10		
	Denominator	Current Liabilities	34,551.27	56,204.27		
(b) Debt-Equity Ratio	Ratio		0.12	0.32	-61.56%	Ratio is decreased due to loan taken was repaid during the current year.
	Numerator	Total Borrowings	17,037.07	38,676.74		
	Denominator	Shareholder's Fund	1,36,376.85	1,19,011.33		
(c) Debt Service Coverage Ratio	Ratio		18.06	9.98	80.94%	Ratio is decreased due to loan taken as well as interest thereon is reduced during the current year.
	Numerator	EBITDA	46,291.64	58,183.23		
	Denominator	Current Maturity of Long Term Debt + Interest	2,563.11	5,829.21		
(d) Return on Equity Ratio	Ratio		0.14	0.27	-49.71%	Ratio is decreased due to reduction in operating revenue during current year.
	Numerator	PAT	17,399.32	28,398.06		
	Denominator	Average Shareholder's Fund	1,27,694.09	1,04,812.02		
(e) Inventory turnover ratio	Ratio		0.55	0.69	-19.65%	
	Numerator	Consumption of Stores and Spares	95.05	147.77		
	Denominator	Average Inventory	171.30	213.98		
(f) Trade Receivables turnover ratio	Ratio		5.15	6.49	-20.72%	
	Numerator	Revenue from Operations	58,563.64	66,092.69		
	Denominator	Average Trade Receivables	11,374.81	10,176.99		
(g) Trade payables turnover ratio	Ratio		3.26	2.51	29.84%	Ratio is increased due to creditor are paid during the current year.
	Numerator	Operating Expenses + Other Expenses	11,862.51	10,616.06		
	Denominator	Average Trade Payables	3,637.44	4,226.55		
(h) Net capital turnover ratio	Ratio		(3.28)	0.63	-620.92%	Ratio is decreased due to loan taken was repaid during the current year.
	Numerator	Revenue from Operations	58,563.64	66,092.68		
	Denominator	Working Capital	(17,828.39)	1,04,812.02		
(i) Net profit ratio	Ratio		0.30	0.41	-27.20%	Ratio is decreased due to reduction in operating revenue during current year.
	Numerator	PAT	17,399.32	28,398.06		
	Denominator	Total Income	58,622.93	69,659.98		
(j) Return on Capital employed	Ratio		0.25	0.29	-15.58%	
	Numerator	Earning before interest, Exceptional Items and Tax	31,499.15	43,580.64		
	Denominator	Average Capital Employed	1,27,694.09	1,49,139.78		
(k) Return on investment	Ratio					NA
	Numerator	PAT				
	Denominator	Shareholder's Fund				

ADANI TRACKS MANAGEMENT SERVICES LIMITED
Notes to Financial Statements for the year ended 31 March 2024

37 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 : Rs. 689.90 Lacs. (Previous year : Rs. 494.74 Lacs).

(b) Amount spent and paid during the year ended 31st March, 2024 : Rs. 690.12 Lacs. (Previous year : Rs. 494.75 Lacs).

Particulars	(Rs. in Lacs)
	Total
(a) Construction / Acquisition of any assets	-
(b) For purpose other than (a) above	690.12
Total	690.12

Details of Corporate Social Responsibilities

Particulars	(Rs. in Lacs)	
	As at 31-Mar-2024	As at 31-Mar-2023
(i) Amount required to be spent by the company during the year	689.90	494.74
(ii) Amount of expenditure incurred	690.12	494.75
(iii) Shortfall at the end of the year	-	-
(iv) Total of previous years shortfall	-	-
Total amount contributed during the year	690.12	494.75
(v) Reason for shortfall : Not Applicable		
(vi) <u>Nature of CSR activities :</u>		

Sr. No.	Particulars	(Rs. in Lacs)
		As at 31-Mar-2024
1	Arrangements for Drinking water - Surguja & Raigarh Chhattisgarh Talabira & Bijahan, Odisha Singrauli, Madhya Pradesh	57.55
2	Support for Health care facilities Services - Surguja & Raigarh Chhattisgarh Talabira & Bijahan, Odisha Singrauli, Madhya Pradesh	19.90
3	Rural Infrastructure projects – basic facility development in villages - Surguja & Raigarh Chhattisgarh Talabira & Bijahan, Odisha Singrauli, Madhya Pradesh	105.33
4	Social & cultural support initiatives - Surguja & Raigarh Chhattisgarh Talabira & Bijahan, Odisha Singrauli, Madhya Pradesh	61.16
5	Sports promotion initiatives - Surguja & Raigarh Chhattisgarh Talabira & Bijahan, Odisha Singrauli, Madhya Pradesh	9.67
6	Livelihood, cattle caring, Agriculture development & skill development initiatives - Surguja & Raigarh Chhattisgarh Talabira & Bijahan, Odisha Singrauli, Madhya Pradesh	21.22
7	Education upliftment & institutional developmental initiatives - Surguja & Raigarh Chhattisgarh Talabira & Bijahan, Odisha Singrauli, Madhya Pradesh	67.38
8	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects - Gondia, Maharashtra and Ahmedabad, Gujarat	331.50
9	Administrative Overheads	16.41
	Total	690.12

Sr. No.	Particulars	(Rs. in Lacs)
		As at 31-Mar-2023
1	Arrangements for Drinking water - Surguja & Raigarh Chhattisgarh Talabira, Odisha	36.04
2	Support for Health care facilities Services - Surguja & Raigarh Chhattisgarh Talabira, Odisha	12.31
3	Rural Infrastructure projects – basic facility development in villages - Surguja & Raigarh Chhattisgarh Talabira, Odisha	142.76
4	Social & cultural support initiatives - Surguja & Raigarh Chhattisgarh Talabira, Odisha	62.14
5	Sports promotion initiatives - Surguja & Raigarh Chhattisgarh Talabira, Odisha	2.75
6	Livelihood, cattle caring, Agriculture development & skill development initiatives - Surguja & Raigarh Chhattisgarh Talabira, Odisha	27.02
7	Education upliftment & institutional developmental initiatives - Surguja & Raigarh Chhattisgarh Talabira, Odisha	35.97
8	Developing a center for preventive health facilities like Yoga - Ahmedabad	40.00
9	Promotion of education by developing a international standard school to be operated at subsidised rate - Ahmedabad	70.00
10	Support to flood effected people at Gauhati Assam with Government - Gauhati	25.00
11	Support to institute to promote subsidised education.	1.50
12	Promotion of Yoga on International Yoga Day - Ahmedabad	32.50
13	Administrative Overheads	6.75
	Total	494.75

(vii) Out of (ii) above Rs.347.91 Lacs (Previous year : Rs.175.75 Lacs) contributed to Adani Foundation and Rs. Nil (Previous year : 16.20 Lacs) contributed to Adani Skill Development Center, one of the related parties.

ADANI TRACKS MANAGEMENT SERVICES LIMITED
Notes to Financial Statements for the year ended 31 March 2024

38 Contingent Liabilities & Commitments
(to the extent not provided for)

	(Rs. in Lacs)	
	As at 31-Mar-2024	As at 31-Mar-2023
Contingent Liabilities	-	-
Commitments		
Estimated amount of contracts remaining to be executed on capital accounts (net of advances) and not provided for	5,320.08	13,424.63
	5,320.08	13,424.63

Note:

Based on the information available with company, there are no contingent liabilities as at year ended 31st March 2024 & 31st March 2023.

39 Recent Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the company.

40 Code on Social Security

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020. The Company will assess the impact and its evaluation once the subject rules are notified. The Company will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

41 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.

42 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.

43 Other Disclosures

- (a) The financial statements were approved for issue by the board of directors on 1st May, 2024.
- (b) "Based on the Information available with the Company, there are no transaction with any Struck off Companies" under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956
- (c) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (d) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (e) The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - a) 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
 - b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (f) The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall :
 - a) 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
 - b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (g) The Company has not been declared a wilful defaulter by any bank or financial institution or other lender (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

ADANI TRACKS MANAGEMENT SERVICES LIMITED
Notes to Financial Statements for the year ended 31 March 2024

- (h) During the previous financial year 2022-23, a short seller report ("SSR") was published alleging certain issues against Adani group entities including the Company, Parent Company and its fellow subsidiaries. In this regard, certain writ petitions were filed with the Hon'ble Supreme Court ("SC") and during the proceedings, SC observed that the Securities and Exchange Board of India ("SEBI") was investigating the matter.

In same proceeding, the SC also constituted an Expert Committee to investigate as well as advise on any existing laws and regulations. The Expert committee submitted its report in May 2023, finding no regulatory failure. The SEBI also submitted its status report dated August 25, 2023 to the SC about the 24 investigations.

On January 03, 2024, the SC dismissed all matters of appeal in various petitions including separate independent investigations relating to the allegations in the SSR, Further, the SC ordered SEBI should complete the pending two investigations, preferably within three months, and take its investigations (including 22 already completed) to their logical conclusion in accordance with law. The Parent Company has made various submissions to SEBI from time to time during the course of their investigation and will respond to them, if required, as SEBI takes their investigation to conclusion.

Pending final conclusion of the SEBI investigations as stated above, the Company continues to hold good its position as regards the compliance of applicable laws and regulations. Accordingly, the audited financial results do not carry any adjustments in this regard.

- (i) Pursuant to Deed of Hypothecation dated 24th March, 2023 entered between the Company and IDBI Trusteeship Services Limited, as a Debenture Trustee, the Company's movable properties and assets including all plant and machinery, hardware, computer software, electronic spares, machinery spares, motor vehicles, cash in hand, all investments, inventories, trade receivable and Other General Assets are hypothecated in favour of Debenture Trustee for the benefit of Debenture Holder, against Non-Convertible Debenture of Rs. 1600 Cr. issued by Adani Ports and Special Economic Zone Limited, (100% Holding Company) to Debenture Holder.

- (j) **Note on Audit Trail :-**

The Company uses an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software. However, a) the audit trail feature is not enabled for certain direct changes to the data for users with the certain privileged access rights to the SAP application and b) audit trail feature is not enabled at the database level for the underlying HANA database. Further no instance of audit trail feature being tampered with was noted in respect of the accounting software.

Presently, the log has been activated at the application and the privileged access to HANA database continues to be restricted to limited set of users who necessarily require this access for maintenance and administration of the database.

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 Limited

Shubham Rohatgi
Partner
Membership No. 183083

Shailendra Kumar Sharma
Managing Director
DIN: 06990949

Amitabh Mishra
Director & CFO
DIN: 09817378

Place :
Date : 01/05/2024

Jatin Bhavsar
Company Secretary
Membership No : A25835
