

**DAHEJ SEZ LIMITED**  
**(CIN: U45209GJ2004PLC044779)**  
**Block No. 14, Third Floor, Udhyog Bhavan,**  
**Sector-11, Gandhinagar, Gujarat - 382017**

**BOARD'S REPORT**

To,  
The Members,

Directors of your Company feel privileged to present the 19<sup>th</sup> Annual Report of the Company containing salient features of business and operations of your Company, Dahej SEZ Limited (DSL), along with the audited annual accounts and the Auditor's report for the year ended 31<sup>st</sup> March, 2023.

**1. FINANCIAL RESULTS:**

Highlights of financials of the Company as on 31<sup>st</sup> March, 2023 are as under:

(Amount in INR Crore)

Particulars	2022-23	2021-22
Revenue from Operations	75.71	66.61
Other Income	6.57	9.00
<b>Total Revenue</b>	<b>82.28</b>	<b>75.61</b>
Financial Cost	6.10	5.55
Other Operative and Administrative Expenses	17.15	12.14
Depreciation and Amortization	8.31	9.25
<b>Total Expenses</b>	<b>31.56</b>	<b>26.94</b>
<b>Profit Before Tax</b>	<b>50.71</b>	<b>48.67</b>
Less: Tax Expenses	(15.77)	(1.69)
<b>Profit After Tax</b>	<b>34.94</b>	<b>46.98</b>
<b>Earnings Per Share (in Rs.)</b>		
(a) Basic	7.59	10.20
(b) Diluted	7.59	10.20

**2. BRIEF DESCRIPTION OF THE COMPANY'S WORKING:**

During the year under review, your company has earned income from Lease, Lease Rent, Interest and Other Income to the tune of **Rs. 82.28 Crore** whereas the total expenditure was **Rs. 31.56 Crore** including Depreciation/ Amortization of Lease Land of Rs. 8.31 Crore, Interest on Unpaid Lease Charges payable to GIDC and other costs of Rs. 6.10 Crore and Non Agricultural Area, Lease Rent, Administrative & Other Expenses of Rs. 17.15 Crore. The net profit for the year under review has been **Rs. 34.94 Crore**. Your Directors are continuously looking for avenues for future growth of the Company and hopeful that the Company will be able to post better performance in the forthcoming years.

DSL has received extension of in-principle approval from Ministry of Commerce & Industry (MoCI), Government of India (GoI) for setting-up

a Multi-Product SEZ which is valid upto 02/11/2024. DSL is in process to develop the area based on demand from industries for requirement of land for Industrial Park (IP) & SEZ. GIDC has already acquired land parcels at Pakhajan, Ambhel and Limdi villages of Vagra Taluka of Bharuch District in Gujarat (approx. 647-16-63 Ha) and name “દહેજ એસ.ઈ.એસ. લિમિટેડ” has been entered in the records of 7/12. GIDC is in process of acquisition of remaining land.

**3. CHANGE IN THE NATURE OF BUSINESS, IF ANY:**

There is no change in the nature of business, during the year under review.

**4. DIVIDEND:**

During the fiscal year 2022-23 your Directors have not recommended any dividend.

The Board of Directors of the Company has adopted a Dividend Distribution Policy and the same is available on the website of the Company.

**5. TRANSFER TO RESERVES:**

The Company has transferred its total comprehensive income for the year into Retained Earning.

**6. DEPOSITS:**

Your Company has not accepted any Deposits from the public and therefore the Company is not stand in need to comply with the requirements under the Companies (Accounts) Rules, 2014.

**7. SHARE CAPITAL OF THE COMPANY AND CHANGE IN SHARE CAPITAL, IF ANY:**

Authorized Share Capital of the Company is Rs. 1,00,00,00,000/- (Rupees Hundred Crore only) divided into 10,00,00,000 Equity Shares of Rs. 10/- each and Issued, Subscribed & Paid-up Share Capital of the Company is Rs 46,05,00,000/- (Rupees Forty-Six Crore and Five Lakh only) divided into 4,60,50,000 Equity Shares of Rs. 10/- each as on 31<sup>st</sup> March, 2023. During the financial year 2022-23, there has been no change in the share capital of the Company.

**8. DISCLOSURE REGARDING ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS:**

Your Company has not issued any Equity Shares with Differential Voting Rights during this financial year and it is therefore not required to make disclosures specified in Rule 4 (4) of Companies (Share Capital and Debenture) Rules, 2014.



**9. DISCLOSURE REGARDING ISSUE OF SWEAT EQUITY SHARES:**

Your Company has not issued any Sweat Equity Shares during this financial year and it is therefore not required to make disclosures specified in Rule 8 (13) of Companies (Share Capital and Debenture) Rules, 2014.

**10. DISCLOSURE REGARDING ISSUE OF EMPLOYEE STOCK OPTION:**

Your Company has not issued any shares under Employee Stock Option Scheme during this financial year and it is therefore not required to make disclosures specified in Rule 12 (9) of Companies (Share Capital and Debenture) Rules, 2014.

**11. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:**

During the year under review, none of the Companies has become or ceased to be Company's Subsidiaries, Joint Ventures or Associate Companies.

**12. REPORT ON THE PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:**

During the period under review, none of the companies have become or ceased to be Company's Subsidiaries, Joint Ventures or Associate Companies, therefore Report on the Performance and Financial Position of each of the Subsidiaries, Associates and Joint Venture Companies is not require to be given.

**13. DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

From 01<sup>st</sup> April, 2022 to till date, following changes have been made:

S N	Name of Directors/ KMP Appointed	Date of Appointment	SN	Name of Directors/ KMP Ceased	Date of Cessation
1	Shri Raj Kumar, IAS (DIN: 00294527)	31/05/2022	1	Shri A. K. Verma (DIN: 06990114)	15/04/2022
2	Shri J. B. Patel (CEO)	01/06/2022	2	Dr. Rajiv Kumar Gupta IAS (DIN: 03575316)	31/05/2022
3	Shri Gurinder Singh (DIN: 09708331)	03/10/2022	3	Shri Piyush K. Mankad (CEO)	01/06/2022
4	Dr. Rahul Gupta, IAS (DIN: 08572955)	13/10/2022	4	Shri M. Thennarasan, IAS (DIN: 06418776)	13/10/2022
5	Shri V.B. Pavagadhi (DIN: 09853412)	07/01/2023	5	Shri B.C. Warli (DIN: 07133942)	28/12/2022
6	Shri Kamal Dayani, IAS (DIN: 05351774)	08/02/2023	6	Shri Raj Kumar, IAS (DIN: 00294527)	01/02/2023

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7	Shri D. Adhikari (DIN: 09667061)	20/03/2023	7	Shri Anurag Sharma (DIN: 08050719)	01/03/2023
8	Shri S. J. Haider, IAS (DIN: 02879522)	24/04/2023	8	Shri Kamal Dayani, IAS (DIN: 05351774)	06/04/2023
9	Shri R. D. Bhagora (DIN: 10236053)	12/07/2023	9	Shri V.B. Pavagadhi (DIN: 09853412)	10/07/2023
10	Shri S. K. Dwivedi (DIN: 10537158)	14/03/2024	10	Shri Pranav S. Patel (CFO)	25/08/2023
			11	Shri D. Adhikari (DIN: 09667061)	01/02/2024

**14. PARTICULARS OF EMPLOYEES:**

The statement containing particulars of employees as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not forming part of the Report, as the said provisions are not applicable to the company being an Unlisted Company.

**15. MANAGERIAL REMUNERATION:**

The Company is not required to make disclosures pursuant to Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 relating to Managerial Remuneration being an Unlisted Company.

**16. BOARD MEETINGS:**

During the financial year 2022-23, 4 (Four) Meetings of the Board of Directors of the Company were held. Details of the same are given below:

No. of Meeting	Date of Meeting	No. of Directors entitled to attend	No. of Directors attended
63	09/06/2022	4	3
64	27/09/2022	4	3
65	23/12/2022	5	4
66	28/03/2023	5	5

**17. BOARD EVALUATION:**

Dahej SEZ Limited is a Joint Venture of Oil and Natural Gas Corporation Limited (ONGC) and Gujarat Industrial Development Corporation (GIDC). The appointment of Board of Directors is made indirectly & directly by the State Government and ONGC and hence as per the Ministry (MCA) Notification dated 05/06/2015 the Company is exempted from the provisions of Clause (p) of Section 134 (3) of Companies Act, 2013 and therefore Statement indicating manner in which formal evaluation of Board, Committee, Individual Director has been done by the Board pursuant to section 134 (3) (p) of the



Companies Act, 2013 read with rule 8 (4) of the Companies (Accounts) Rules, 2014 is not require to attach with the Board Report.

**18. AUDITORS:**

The Auditors, M/s. Mukesh M. Shah & Co. (FRN: 106625W), Chartered Accountant, Ahmedabad, were appointed as Statutory Auditors of the Company for the financial year 2022-23 by the Comptroller and Auditor General of India Letter No. CA. V/COY/GUJARAT,DAHEJ(1)/1100 dated 08/09/2022.

**19. AUDITORS' REPORT:**

The Auditors' Report does not contain any qualification. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

During the year under review, there has not been any fraud reported by the Auditors of the Company.

**20. COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143 (6) (b) OF THE COMPANIES ACT, 2013:**

The comments of Comptroller & Auditor General (CAG) of India and the reply of the management thereto form part of this Report and are attached as per **ANNEXURE-I**.

**21. INTERNAL AUDIT & CONTROLS:**

Internal Auditors for the FY 2022-23, M/s. Ashok Chhajer & Associates, Chartered Accountants (FRN: 100641W), Ahmedabad submitted their reports. Findings are discussed with the Company and suitable corrective actions taken as per the directions on an ongoing basis to improve efficiency in operations.

**22. RISK MANAGEMENT POLICY:**

The company has taken sufficient insurance for the properties against risks of fire, strike, riot and earthquake. All the Assets of the company including Inventories, Buildings, and Machinery are adequately insured.

DSL shall identify the possible risks associated with its business and commits itself to put in place a Risk Management Framework to address the risk involved on an ongoing basis to ensure achievement of the business objective without any interruptions. DSL shall optimize the risks involved by managing their exposure and bringing them in line with the acceptable risk appetite of the Company.

**23. ANNUAL RETURN:**

Pursuant to section 134(3)(a) and section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and

Administration) Rules, 2014, a copy of the annual return is placed on the website of the Company and can be accessed at [www.dahejsez.com](http://www.dahejsez.com).

**24. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE REPORT:**

No material changes and commitments have occurred after the close of the financial year till the date of this report, which affect the financial position of the Company other than those specifically highlighted in this report.

**25. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:**

No significant or material orders were passed by the regulator or court or tribunals which impact the going concern status and Company's operations in future. However, an Arbitral Award dated 07/07/2019 was passed in a case filed by Atlanta Limited against GIDC and the same has been mentioned in Contingent Liability in Note D (VII) (G) to accounts.

**26. OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

In order to prevent sexual harassment of women at work place a new act the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been notified on 9<sup>th</sup> December, 2013. Under the said Act every Company is required to set up an Internal Complaints Committee to look into complaints relating to sexual harassment at work place of any women employee.

Company has adopted a policy for prevention of Sexual Harassment of Women at workplace and has set up an Internal Complaints Committee for implementation of said policy. During the year, Company has not received any complaint of harassment.

**27. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The Company has no activities which requires disclosure relating to conservation of energy or technology absorption as it is not a Manufacturing Company. There has been no foreign exchange earnings or outgo during the year under review.

**28. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:**

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or



guarantee or security is proposed to be utilized by the recipient are provided in the financial statements (please refer to Note 02 to the financial statement).

**29. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

With reference to Section 134(3)(h) of the Companies Act, 2013, all contracts and arrangements with related parties under sub-section (1) of section 188 of the Act, entered by the Company during the financial year, were in the ordinary course of business and on arm's length basis.

Your attention is drawn to the Related Party disclosures set out in Note D (XVII) to the financial statement.

**30. CORPORATE SOCIAL RESPONSIBILITY (CSR):**

Under Section 135 of the Companies Act, 2013, the provision of Corporate Social Responsibility is applicable to the Company for the financial year 2022-23 therefore your Company has constituted the CSR Committee as under:

SN.	Name of the Committee Member*	Designation
1.	Shri S. J. Haider, IAS	Chairman
2.	Dr. Rahul Gupta, IAS	Member
3.	Shri Gurinder Singh	Member

\* As on signing date of this report

The Committee finalized a policy for the purpose of activities to be carried out for CSR and decided to explore the proper channel through which said activities can be carried out and necessary amount could be spent.

During the year under review, 3 (Three) meeting of the members of this Committee was held. Details of the same are given below:

No. of Meeting	Date of Meeting	No. of members entitled to attend	No. of members attended
9	26/09/2022	3	3
10	23/12/2022	3	3
11	28/03/2023	3	3

During the year under review, the Company required to spent Rs. 94,69,148/- based on the Profit & Loss Account of financial years 2019-20, 2020-21 and 2021-22. The Company has spent Rs. 94,69,160/- (Rupees Ninety-Four Lakh Sixty-Nine Thousand One Hundred and Sixty only) towards Corporate Social Responsibility contribution in the year under review. The detail related to CSR Activities is appended as **ANNEXURE-II**.

**31. AUDIT COMMITTEE:**

Pursuant to Section 177 of the Companies Act, 2013 read with rule (6) of the Companies (Meetings of Board and its Powers) Rules, 2014, your Company has constituted the Audit Committee as mentioned below:

SN	Name of the Committee Member*	Designation
1.	Dr. Rahul Gupta, IAS	Chairman
2.	Shri Gurinder Singh	Member
3.	Shri R. D. Bhagora	Member

\* As on signing date of this report

During the year under review, 1 (One) meeting of the members of this Committee were held. Details of the same are given below:

No. of Meeting	Date of Meeting	No. of members entitled to attend	No. of members attended
24	19/07/2022	3	3

During the year under review, the board has accepted all recommendations of the Committee and accordingly no disclosure is required to be made in respect of non-acceptance of any recommendation of the Audit Committee by the Board.

**32. NOMINATION AND REMUNERATION COMMITTEE:**

Pursuant to Section 178 of the Companies Act, 2013 read with rule (6) of the Companies (Meetings of Board and its Powers) Rules, 2014, your Company has constituted Nomination and Remuneration Committee as under:

SN	Name of the Committee Member*	Designation
1.	Dr. Rahul Gupta, IAS	Chairman
2.	Shri Gurinder Singh	Member
3.	Shri R. D. Bhagora	Member

\* As on signing date of this report

During the year under review, 3 (Three) meetings of the members of this Committee were held. Details of the same are given below:

No. of Meeting	Date of Meeting	No. of members entitled to attend	No. of members attended
7	19/07/2022	3	3
8	15/09/2022	3	3
9	17/02/2023	3	3



**33. DIRECTORS' RESPONSIBILITY STATEMENT:**

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that—

- (a) In the preparation of the Annual Accounts, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;
- (b) the Directors had selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The Directors had prepared the Annual Accounts on a going concern basis;
- (e) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**34. SECRETARIAL AUDIT REPORT:**

Section 204 of the companies Act, 2013 relating to Secretarial Audit is not applicable to the Company. Therefore your Company is not required to obtain Secretarial Audit Report in Form No. MR-3 pursuant to Section 204 (1) of the Companies Act, 2013 and Rule (9) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**35. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND:**

In terms of Section 124 of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, shares of the Company in respect of which dividend entitlements have remained unclaimed or unpaid for seven consecutive years or more, are required to be transferred by the Company to the Investor Education and Protection Fund (IEPF) of the Government of India. There were no such instances requiring compliance with the same.

**36. COST AUDIT:**

Pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Cost Records and

Audit) Rules, 2014, your Company is not required to appoint the Cost Auditors and also not required to maintain Cost Records.

**37. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES**

There were no penalties/ punishment/ compounding of offences for the breach of any section of the Companies Act, 2013 against the Company or its Directors or other officers in default, during the year.

**38. DETAILS OF APPLICATION MADE OR PROCEEDINGS PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016:**

During the year under review, there were no applications made or proceedings pending in the name of the Company under the Insolvency and Bankruptcy Code, 2016.

**39. DETAILS OF DIFFERENCE BETWEEN VALUATION AMOUNT ON ONE TIME SETTLEMENT AND VALUATION WHILE AVAILING LOAN FROM BANKS AND FINANCIAL INSTITUTIONS:**

During the year under review, there has been no one time settlement of loans taken from Banks and Financial Institutions.

**40. ACKNOWLEDGEMENTS:**

Your Directors express their warm wish to place on record their sincere appreciation to the co-operation extended by the Registrar of Companies (RoC), Comptroller & Auditor General (CAG) of India, Statutory Auditors, Registrar and Share Transfer Agent (RTA) and consulting Company Secretary of the Company. Your directors also place on record their gratitude to the Central Government, State Government of Gujarat and Company's Bankers for the assistance, co-operation and encouragement they extended to the company and look forward for their continued support. Your directors also wish to place on record their sincere thanks and appreciation for the continuing support and unstinting efforts of investors, business associates and employees in ensuring an excellent all-around operational performance and confidence in the management of the Company.

**For and on behalf of the Board of Directors of  
DAHEJ SEZ LIMITED**

Place : Gandhinagar  
Date : 28/03/2024



**Shri S. J. Haider, IAS  
Chairman  
DIN: 02879522**



**DAHEJ SEZ LIMITED**  
CIN: U45209GJ2004PLC044779

**ANNEXURE - I**

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143 (6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF DAHEJ SEZ LIMITED FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023 AND MANAGEMENT REPLY THERETO:**

**A. Comment on Financial position**

**1. Balance sheet as on 31 March 2023**

**Current liabilities**

The Company authorized (January 2021) GIDC for incurring expenditure on behalf of the Company for development of basic infrastructure facility in the proposed new SEZ. Accordingly, GIDC issued work orders to different agencies on behalf of the Company from time to time. During 2022-23, GIDC raised invoices of ₹97.77 crore in respect of the expenditure incurred by it on behalf of the Company. However, the Company neither made the payment nor made the provision for the same. This resulted in understatement of current liabilities as well as understatement of work in progress to the tune of ₹97.77 crore as on 31 March 2023.

**Board of Director's reply on above comment:**

*This is to inform that in its 64th meeting held on 27/09/2022, the Board of Directors of the Company had decided not to release any payment without executing agreement or making any legal arrangement between DSL & GIDC regarding expenditure towards development of NEW SEZ & Industrial Park. DSL will make the provision of the same in FY 2023-24.*

**For and on behalf of the Board of Directors of  
DAHEJ SEZ LIMITED**

Place : Gandhinagar  
Date : 28/03/2024

  
**Shri S. J. Haider, IAS**  
**Chairman**  
**DIN: 02879522**

**DAHEJ SEZ LIMITED**

CIN: U45209GJ2004PLC044779

**ANNEXURE - II****ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES  
FOR THE FINANCIAL YEAR 2022-23****1. The brief outline on CSR Policy of the Company:**

To focus on area surrounding Dahej and other places for promoting Health Care, Education, Rural Development, promoting Educational activity, promoting gender equality and socio-economic empowerment, promoting environment awareness and etc.

**2. The Composition of the CSR Committee:**

Sl. No.	Name of Director*	Designation/ Nature of Directorship	No. of meetings of CSR Committee held during the year	No. of meetings of CSR Committee attended during the year
1.	Shri S. J. Haider, IAS	Chairman (Nominee Director)	1	NA
2.	Dr. Rahul Gupta, IAS	Member (Nominee Director)	1	NA
3.	Shri Gurinder Singh	Member (Nominee Director)	1	NA

\* As on signing date of this report

**3. The web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:**[www.dahejsez.com](http://www.dahejsez.com)**4. The executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:**

NA

5.	(a)	Average net profit of the company as per sub-section (5) of section 135	Rs. 47,34,57,394
	(b)	Two percent of average net profit of the company as per sub-section (5) of section 135	Rs. 94,69,148
	(c)	Surplus arising out of the CSR Projects or programmes or activities of the previous FYs	Nil



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<b>(d)</b>	<b>Amount required to be set off for the financial year, if any:</b>		Nil
<b>(e)</b>	<b>Total CSR obligation for the financial year [(b)+(c)-(d)]</b>		Rs. 94,69,148

<b>(a)</b>	<b>Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)</b>		Rs. 94,69,160
<b>(b)</b>	<b>Amount spent in Administrative Overheads</b>		Nil
<b>(c)</b>	<b>Amount spent on Impact Assessment, if applicable</b>		Nil
<b>(d)</b>	<b>Total amount spent for the Financial Year [(a)+(b)+(c)]</b>		Rs. 94,69,160
<b>(e)</b>	<b>CSR amount spent or unspent for the Financial Year</b>		
		Amount Unspent (in Rs.)	
	Total Amount Spent for the Financial Year. (in Rs.)	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135	Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135
	94,69,160	Amount	Name of the Fund
	-	Date of Transfer	Amount
	-	-	Date of Transfer
	-	-	-

<b>(f)</b>	<b>Excess amount for set off, if any</b>		
Sl. No.	Particular	Amount (in Rs.)	
(1)	(2)	(3)	
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	94,69,148	
(ii)	Total amount spent for the Financial Year	94,69,160	
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	12	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-	
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	12	

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**7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:**

(1)	(2)	(3)	(4)	(5)	(6)		(7)	(8)
Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under sub-section (6) of Section 135 (in Rs.)	Balance Amount in Unspent CSR Account under sub-section (6) of Section 135 (in Rs.)	Amount spent in the Financial Year (in Rs.)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any	Date of transfer	Amount remaining to be spent in succeeding Financial Years (in Rs)	Deficiency, if any
1	2021-22	-	-	-	-	-	-	-
2	2020-21	-	-	3,45,537*	-	-	-	-
3	2019-20	-	-	-	-	-	-	-
	Total	-	-	3,45,537	-	-	-	-

\* Unspent amount of FY 2019-20 spent in FY 2020-21

**8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:**

☐ Yes ☒ No

**If Yes, enter the number of Capital assets created/ acquired:**

Nil

**The details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:**

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the Property or asset(s)	Date of Creation	Amount of CSR amount spent	Details of entity/ Authority/beneficiary of the registered owner	
(1)	(2)	(3)	(4)	(5)	(6)	
					CSR Registration Number, if Applicable	Registered address
					Name	



## DAHEJ SEZ LIMITED

CIN: U45209GJ2004PLC044779

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(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/  
Gram Panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135:

NA

Place : Gandhinagar  
Date : 28/03/2024

Shri J. B. Patel  
(Chief Executive Officer)

Shri S. J. Haider, IAS (DIN: 02879522)  
(Chairman - CSR Committee)

भारतीय लेखापरीक्षा एवं लेखा विभाग  
कार्यालय प्रधान महालेखाकार ( लेखापरीक्षा-II ) गुजरात  
"लेखापरीक्षा भवन", नवरंगपुरा, अहमदाबाद - 380 009.



सत्यमेव जयते

INDIAN AUDIT & ACCOUNTS DEPARTMENT  
Office of the Principal Accountant General (Audit-II), Gujarat  
Audit Bhavan, Navrangpura, Ahmedabad - 380 009.

सं. ले.प.प्र.स.-I /ए/ सीएस/Dahej SEZ/2022-23 - 1860  
4-3-24

सेवा में,

प्रबंध निदेशक,

Dahej SEZ Limited

Block No. 14, 3<sup>rd</sup> floor, Udyog Bhavan,

Sector 11, Gandhinagar 382017

विषय: कंपनी अधिनियम, 2013 की धारा 143 (6) (बी) के अनुसार 31 मार्च 2023 को समाप्त वर्ष के लिए Dahej SEZ Limited के वित्तीय विवरणों पर भारत के नियंत्रक-महालेखापरीक्षक की टिप्पणी।

महोदय,

31 मार्च 2023 को समाप्त वर्ष के लिए Dahej SEZ Limited के वित्तीय विवरणों पर कंपनी अधिनियम, 2013 की धारा-143 (6) (बी) के अनुसार भारत के नियंत्रक-महालेखापरीक्षक की 'टिप्पणी का प्रमाणपत्र', कंपनी की वार्षिक साधारण बैठक में रखने के लिए संलग्न पाएं।

कंपनी अधिनियम, 2013 की धारा-143 (6) (बी) के अनुसार भारत के नियंत्रक-महालेखापरीक्षक की टिप्पणियों को कंपनी के लेखापरीक्षक की रिपोर्ट के साथ उसी तरह और उसी समय वार्षिक साधारण बैठक में रखना अनिवार्य है। भारत के नियंत्रक-महालेखापरीक्षक की टिप्पणियों को वार्षिक साधारण बैठक में रखने की तिथि इस कार्यालय को सूचित करें।

कृपया, मुद्रित लेखों की छः प्रतियाँ इस कार्यालय के प्रयोग और अभिलेख के लिए भिजवाएं।  
अनुलग्नक सहित इस पत्र की प्राप्ति की सूचना दें।

भवदीया,

*(हस्ताक्षर)*

उप महालेखाकार (ए.एम.जी.-I)

संलग्नक: यथोपरि



**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF DAHEJ SEZ LIMITED FOR THE YEAR ENDED 31 MARCH 2023**

The preparation of financial statements of Dahej SEZ Limited, Gandhinagar for the year ended 31 March 2023 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the Management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the Standards on Auditing prescribed under Section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated 10 January 2024.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the Financial Statements of Dahej SEZ Limited, Gandhinagar for the year ended 31 March 2023 under Section 143 (6) (a) of the Companies Act, 2013. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matters under Section 143 (6) (b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related Audit Report.

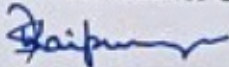
**A. Comment on Financial position**

**1. Balance sheet as on 31 March 2023**

**Current liabilities**

The Company authorized (January 2021) GIDC for incurring expenditure on behalf of the Company for development of basic infrastructure facility in the proposed new SEZ. Accordingly, GIDC issued work orders to different agencies on behalf of the Company from time to time. During 2022-23, GIDC raised invoices of ₹97.77 crore in respect of the expenditure incurred by it on behalf of the Company. However, the Company neither made the payment nor made the provision for the same. This resulted in understatement of current liabilities as well as understatement of work in progress to the tune of ₹ 97.77 crore as on 31 March 2023.

For and on behalf of the  
Comptroller and Auditor General of India



(Saurav Kumar Jaipuriyar)  
Pr. Accountant General (Audit II), Gujarat

Place: Ahmedabad

Date: 7/3/24



**INDEPENDENT AUDITORS' REPORT****To the Members of Dahej SEZ Limited****Report on the Audit of the Financial Statements****Opinion**

We have audited the accompanying financial statements of Dahej SEZ Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2023, 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 notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 March 31, 2023, and its profit, total comprehensive income, cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, 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 opinion on the financial statements.

**Emphasis of Matters**

We draw attention to the following:

For setting up of SEZ at Dahej, the company has acquired Land from GIDC on 99 years lease. Of the total land acquired on lease, land admeasuring 27.35 hectares is under reconciliation with GIDC.

Our opinion is not modified in respect of these matters.

**Information other than the Financial Statements and Auditor's Report thereon**

- The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Directors' Report, but does not include the financial statements and our audit reports thereon. The other information is expected to be made available to us after the date of this auditor's report.
- 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 standalone financial statements, our responsibility is to read the other information identified above when it becomes available 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.
- When we read the annual report, if we conclude that there is a material misstatement of this other information, we are required to communicate the matter to those charged with governance.

**Management's Responsibility for the financial statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these 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 Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 is also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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

- a) Identify and assess the risks of material misstatement of the 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.





- b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) 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 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.
- e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

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 paragraphs 3 and 4 of the Order, to the extent applicable.

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, so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, the Company has not given any remuneration to its directors during the year.
- h) 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:
- The Company has disclosed the impact of pending litigations as at March 31, 2023 on its financial position in its financial statements.;
  - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - There were no amounts which were required to be transferred to the investor Education and Protection Fund by the Company.
- iv. (a) The management has represented that, to the best of its knowledge and belief, 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 persons or entities, 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;
- (b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any persons or entities, 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





- (c) 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 given under (a) and (b) above, contain any material misstatement.
- v. No dividend is declared or paid during the year by the company, so reporting under clause (f) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014, is not applicable.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
- i) As required by Section 143(5) of the Act, our report on Directions and Sub directions is annexed as per Annexure-C.

Place: Ahmedabad  
Date: January 10, 2024  
UDIN: 24102651BKBLTS8408



For **MUKESH M. SHAH & CO.**,  
Chartered Accountants  
Firm Registration No.: 106625W

*S. S. Shah*

**Suvrat S. Shah**  
Partner  
Membership No.: 102651



**"Annexure A" to the Independent Auditors' Report**

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2023.

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

1. (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.  
B. The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a program of verification of Property, plant and equipment so as to cover all the items in phased manner. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and based on the examination of the registered sale deed/ transfer deed/ conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land that have been taken on lease and disclosed under property, plant and equipment in the financial statements, the lease agreements are in the name of the Company, where the Company is lessee in the agreement except land admeasuring 27.35 hectares is under reconciliation with GIDC.
- (d) According to the information and explanations given to us and the records examined by us and based on the examination, the Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.
- (e) According to the information and explanations given to us and the records examined by us and based on the examination, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
2. The Company does not deal in any inventory hence this clause is not applicable to the Company for the year under review.
3. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause (iii) of the Order is not applicable.
4. According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security or made any investments to which provisions of Section 185 and Section 186 of the Companies Act, 2013 are applicable. Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013, in relation to loans given and investments made.





5. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public during the year and does not have any unclaimed deposits as at March 31, 2023 and therefore, the provisions of the clause 3(v) of the Order is not applicable.
6. In absence of any manufacturing activity carried out by the company, the requirement of maintenance of cost records under sub section 1 of section 148 of the Companies Act, 2013 is not applicable to the Company during the year under audit.
7. (a) According to the information and explanations given to us and on the basis of our examination of the records, the company has been regular in depositing undisputed statutory dues including Goods and Services tax, Provident Fund, Employees' State Insurance, Income tax, Sales tax, Service tax, Duty of Custom, Duty of Excise, Value added Tax, Cess and any other material statutory dues.

There were no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

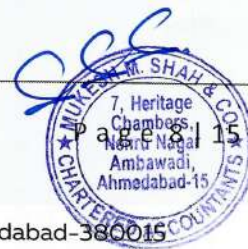
- (b) Details of statutory dues of any nature covered under clause (a) above, which have not been deposited as on March 31, 2023 on account of disputes are given below:

Sr. No.	Name of Statute	Nature of Dues	Gross Amount [Rs. Million]	Amount paid under protest [Rs. Million]	Period to which the amount relates	Forum where dispute is pending
1	The Income Tax Act, 1961	Income tax	5.07	1.01	AY 2018-19 [FY 2017-18]	Commissioner of Income Tax (Appeals)
		Income tax	2.14	-	AY 2017-18 [FY 2016-17]	Commissioner of Income Tax (Appeals)
2	Service Tax	Service Tax	1.62	-	FY 2013-14, 2014-15 & 2015-16	Customs, Excise & Service Tax Appellate Tribunal
3	Service Tax	Service Tax	9.13	1.10	FY 2016-17 and 2017-18 (Upto June 2017)	Commissioner (Appeals) Central Tax

8. According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
9. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.
- (b) According to the information and explanations given to us and on the basis of our audit procedure, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the information and explanations given to us, we are of the opinion that the term loans are applied for the purpose for which they were obtained;



- (d) According to the information and explanations given to us, and the procedures performed by us, and on overall examination of financial statements of the Company, we report that funds raised on short term basis have, not been used during the year for the long-term purpose by the Company.
- (e) According to the information and explanations given to us, and the procedures performed by us, and on overall examination of 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.
- (f) According to the information and explanations given to us, and the procedures performed by us, we report that the Company has not raised any loans during the year on the pledge of securities held in its subsidiary companies.
10. (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under this clause of the Order is not applicable to the Company.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) and hence reporting under this clause of the Order is not applicable to the Company.
11. (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanations given by management, there were no whistle blower complaints received by the Company during the year.
12. The Company is not a Nidhi Company and hence reporting under this clause of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, the Company is in compliance with section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. (a) In our opinion and based on our examination, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports to the Company issued till date for the period under audit.
15. 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 with any of its directors or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Hence, reporting under clause (xvi)(a), (b), (c) and (d) of the Order is not applicable.
17. The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.





18. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating 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 of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
20. On the basis of information and explanations given to us and based on the examination of the records provided to us, there is no unspent amount of Corporate Social Responsibility ("CSR") as at the end of the financial year. Accordingly, reporting under clause 3(XX) of the Order is not applicable for the year.

Place: Ahmedabad  
Date: January 10, 2024  
UDIN: 24102651BKBLTS8408



For **MUKESH M. SHAH & CO.**,  
Chartered Accountants  
Firm Registration No.: 106625W

**Suvrat S. Shah**  
Partner  
Membership No.: 102651



**"ANNEXURE B" TO THE AUDITORS' REPORT****Report on the Internal Financial Control 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 **Dahej SEZ Limited** ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial control 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 Act.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 control 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 judgement, including the assessment of the material misstatement of the financial statements, whether due to fraud or error.

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

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

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:



1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, 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: January 10, 2024  
UDIN: 24102651BKBLTS8408



For **MUKESH M. SHAH & CO.**,  
Chartered Accountants  
Firm Registration No.: 106625W

**Suvrat S. Shah**  
Partner  
Membership No.: 102651



**ANNEXURE-C TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in Paragraph 3 under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date)

**DIRECTIONS UNDER SECTION 143(5) OF COMPANIES ACT 2013**

1. Whether the Company has clear title/lease deeds for freehold and leasehold respectively? If not please state the area of freehold and leasehold land for which title/lease deeds are not available.

Dahej SEZ Ltd. ('DSL' or 'the Company') has taken over the lease hold land of 1710 hectares situated at Dahej SEZ area in Vagra Taluka of Bharuch District from Gujarat Industrial Development Corporation on 19.01.2010 for the period of 99 years.

The Company has sub leased the lease hold land acquired from GIDC to various units for thirty years as per policy of DSL. Out of which, sub lease deeds for 36 units for land admeasuring 1896908.53 sq. mtrs. area, are yet to be executed.

2. Please report whether there are any cases of waiver/ write off of debts/ loan/ interest etc., if yes, the reasons there for and the amount involved.

As per the information & explanations given to us, there is no any case of waiver/ write off of debts/ loan/ interest, etc.

3. Whether proper records are maintained for inventories lying with third parties and assets received as gift from Govt. Or other authorities.

The company is engaged in the business of providing services and does not deal in any kind of inventories. Hence, the reporting under this clause is not applicable.

As per the information & explanations given to us, the Company has not received any assets as gifts during the year.

**SUB DIRECTIONS UNDER SECTION 143(5) OF COMPANIES ACT 2013  
INFRASTRUCTURE SECTOR**

1. Whether the Company has taken adequate measures to prevent encroachment of idle land owned by it. Whether any land of the Company is encroached, under litigation, not put to use or declared surplus? Details may be provided.

DSL has engaged security agency to prevent encroachment in SEZ area.

However, as per the information & explanations given to us, in the SEZ encroachment has been done by local people/ land looser due to compensation issue with GIDC. GIDC has allotted 1710 hectares area on lease of 99 years to Dahej SEZ Ltd for the development of M.P.V. SEZ at Dahej, Dist. Bharuch as per lease deed executed. As per information and explanation given to us, the area details of Dahej SEZ are as under:

Total Plot Area	1682.40 hectares area (as per the Gazette of India Dated 14.11.2011)
Total Area used/ reserved for Utility Corridor, Dedicated Corridor, Infrastructure facilities Like road, drainage, SWD, Water pipeline & tank, C.O.P. etc.	274.34 hectares area



Total Allocable Area	1408.06 hectares area
Total Allocated Area to Units (Notified)	1185.46 hectares area
Total Allocated Area to Units (De-Notified)	50.15 hectares area
Total Vacant Area (Notified)	172.45 hectares area

2. **Whether the system in vogue for identification of projects to be taken up under Public Private Partnership is in line with the guideline/ policies of the Government? Comment on deviation if any:**

We have not been informed of any such guidelines or policies of the Government which are applicable to the Company.

3. **Whether system for monitoring the execution of works vis-a-vis the milestones stipulated in the agreement is in existence and the impact of cost escalation, if any, revenues/losses from contracts, etc., have been properly accounted for in the books.**

As per the information & explanations given to us, there is a system for monitoring execution of work undertaken in the Company. Work has been executed as per agreement/ work order issued and properly accounted in books. The review meetings are conducted by CEO and attended by the concerned officers of the Company.

The company has been engaged in the business of the developing the multi product special economic zone at Dahej. In pursuance to that, the Company has entered into lease agreements with allottees as per the policy of DSL and all provisions thereof have been complied/accounted. In case of the surrender of the plots, the amounts of penalties and deposits forfeited have been complied/ accounted as per the surrender policy of DSL.

4. **Whether funds received/ receivable for specific schemes from central/ State agencies were properly accounted for/ utilized? List the cases of deviations:**

As per the information & explanations given to us, the grants received during the year have been properly accounted in the books of accounts.

5. **Whether the bank guarantees have been revalidated in time?**

There are no bank guarantees given by the Company, hence this clause is not applicable.

6. **Comment on the confirmation of balances of trade receivables, trade payables, term deposits, bank accounts and cash obtained.**

Confirmation of Balances for Term Deposit & bank accounts have been obtained. There is NO cash on hand as at 31.03.2023. As per the information & explanations given to us, balance confirmation letters have been sent for the year 2022-23. However, no balance confirmation have been received from any trade payable and trade receivable.

7. **The cost incurred on abandoned projects may be quantified and the amount actually written-off shall be mentioned.**

As per the information & explanations given to us, there is no such abandoned project.



**INDUSTRIAL PROMOTION**

1. Describe the deviations from the system of the payment for land acquisition including compensation under Resettlement and Rehabilitation Policy of the State Government. Cases of the land disputes should be mentioned.

As per the information & explanations given to us, we have not been informed of any such deviation from the system of payment of land acquisition.

2. Is the system of the sanction, disbursement and recovery of Industrial loan effective? State the cases of the deviation from rules, regulations and policies in regard to rescheduling, waiver of loans/interest and one time settlement scheme etc.

The Company has not given any such industrial loan; hence this clause is not applicable.

3. Examine and state the system of allotment of Industrial plots/sheds including recovery of installments from the allottees. What is the system of imposing penalty due to delay in setting up of the business or starting business other than one for which the allotment was made?

As per the information & explanations given to us, the Company follows a system of allotment and surrender of plots as per policy of DSL. The applicant is allotted plot on production of the Letter of Approval (LOA) from the Development Commissioner of the Dahej SEZ, Govt. of India. The allottees are not permitted to start business on the allotted plot other than one for which the allotment was made. As informed, the Company has approved a policy for imposing penalty for non-utilisation of land in Dahej SEZ in the Board Meeting dated 27-06-2017.

4. The system of managing the default cases shall be examined. Have all steps to remedy the situation taken within the prescribed time limit? The cases of non-compliance to established system shall be detailed.

As per the information & explanations given to us, the Company has proper system for regular monitoring of the instances of default in payment. Penal interest @ 13% p.a. is charged on the defaulters as per DSL policy. We have not been informed of any such instance of non-compliance of such policy during the financial year under audit.

5. Examine and provide the details of liability, if any, on account of delay in handing over of any project to allottees and its consequence accounting.

We have not been informed of any such instance.

6. State the cases where loans/ funds received from Central/ State Government or its agencies have been diverted from the purpose for which these were received.

We have not been informed of any such instance of diversion during the year.





**ANNEXURE – C TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in Paragraph 3 under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date)

**DIRECTIONS UNDER SECTION 143(5) OF THE COMPANIES ACT 2013**

1. Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated?

The Company is maintaining its accounts through Tally ERP-9 Accounting software. The Company is maintaining manual register of Fixed Assets. On the basis of test checks conducted by us, the integration of fixed assets register with computerized accounts is proper.

2. Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a Government company, then this direction is also applicable for statutory auditor of lender company).

There is No restructuring of existing loans during the year under audit.

3. Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.

As per the information & explanations given to us, the grants received during the year have been properly accounted in the books of accounts.

Place: Ahmedabad  
Date: January 10, 2024  
UDIN: 24102651BKBLTS8408



For MUKESH M. SHAH & CO.,  
Chartered Accountants  
Firm Registration No.: 106625W

Suvrat S. Shah  
Partner  
Membership No.: 102651





**DAHEJ SEZ LIMITED**  
**BALANCE SHEET AS ON 31st March, 2023**

Rs. in Millions

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>			
<b>1 Non-Current Assets</b>			
(a) Property, Plant & Equipments and Intangible Assets			
(i) Property, Plant and Equipment	1	327.45	356.11
(ii) Intangible Assets		-	0.00
(b) Right of Use Asset		4,520.76	4,575.62
(c) Capital work-in-progress		515.95	348.97
(d) Financial Assets			
(i) Investments	2	100.00	100.00
(ii) Other Financial Assets	3	160.70	181.96
(e) Deferred Tax Assets	4	178.90	196.75
(f) Other Non-current Assets	5	5,002.72	5,002.71
(g) Assets for Tax [Net]	6	308.55	432.57
<b>Sub-Total (A)</b>		<b>11,115.04</b>	<b>11,194.69</b>
<b>2 Current Assets</b>			
(a) Financial Assets			
(i) Trade Receivables	7	35.32	67.10
(ii) Cash and cash equivalents	8	5.29	11.81
(iii) Bank balance other than (ii) above	9	306.75	9.05
(iv) Other Financial Assets	3	40.85	74.65
(b) Other Current Assets	10	629.35	1,151.40
<b>Sub-Total (B)</b>		<b>1,017.56</b>	<b>1,314.01</b>
<b>Total Assets (A+B)</b>		<b>12,132.60</b>	<b>12,508.70</b>
<b>EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a) Equity Share Capital	11	460.50	460.50
(b) Other Equity	12	2,532.25	2,182.90
<b>Sub-Total (A)</b>		<b>2,992.75</b>	<b>2,643.40</b>
<b>2 Liabilities</b>			
<b>1 Non-Current Liabilities:</b>			
(a) Financial Liabilities			
(i) Borrowings	13	1,041.67	1,875.00
(ii) Trade Payables	14	-	-
Due to Micro and Small Enterprises		-	-
Due to other than Micro and Small Enterprises		214.16	214.16
(iii) Other Financial Liabilities	15	648.33	587.35
(iv) Lease Liabilities		0.24	0.25
(b) Other Long term liabilities	16	5,927.77	5,815.26
<b>Sub-Total (B)</b>		<b>7,832.16</b>	<b>8,492.02</b>
<b>2 Current Liabilities:</b>			
(a) Financial Liabilities			
(i) Borrowings	13	833.33	625.00
(ii) Trade Payables	14	-	-
Due to Micro and Small Enterprises		1.28	1.28
Due to other than Micro and Small Enterprises		41.56	35.08
(iii) Other Financial Liabilities	15	18.91	19.01
(b) Other Current Liabilities	17	412.59	604.40
(c) Current Tax Liabilities	18	-	88.49
<b>Sub-Total (C)</b>		<b>1,307.68</b>	<b>1,373.27</b>
<b>Total Equity and Liabilities (A+B+C)</b>		<b>12,132.60</b>	<b>12,508.70</b>

See Accompanying notes to the financial statements

As per our report of even date

For, Mukesh M. Shah & Co.  
Chartered Accountants

ICAI Firm Reg. No. 106625W

CA. Suvrat S. Shah

Partner

Membership No. 102651

Place : Ahmedabad

Date : 10 Jan. 2024



For and on Behalf of the  
Board of Directors

Name: Gaurinder Singh  
Designation : Director  
DIN: 09708331  
Dahej SEZ Limited

D. Shaishernk  
Company Secretary  
Dahej SEZ Limited  
Place : Gandhinagar  
Date : 10 JAN. 2024

For and on Behalf of the  
Board of Directors

Name: R. D. Bhagoria  
Designation : Director  
DIN: 0236053  
Dahej SEZ Limited

C.E.O. J. B. Patel  
Dahej SEZ Limited  
Place : Gandhinagar





**DAHEJ SEZ LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st March, 2023**

Rs. in Millions

Particulars	Note No.	For Year ended March 31, 2023	For Year ended March 31, 2022
<b>I Income</b>			
Revenue from operations	19	757.07	666.06
Other income	20	65.66	90.02
<b>Total Income (I)</b>		<b>822.73</b>	<b>756.08</b>
<b>II Expenses</b>			
Employee benefit expense	21	16.61	15.60
Financial costs	22	61.00	55.53
Depreciation and amortization expense	1	83.12	92.54
Other expenses	23	154.91	105.74
<b>Total expenses (II)</b>		<b>315.64</b>	<b>269.41</b>
<b>III Profit before tax (II-I)</b>		<b>507.09</b>	<b>486.66</b>
<b>IV Tax expense:</b>			
(1) Previous Tax		(2.83)	(21.88)
(2) Current Tax			
Income Tax		88.60	88.49
MAT Liability			
Add: MAT Credit utilisation		54.10	
Less: MAT credit entitlement			(72.38)
Net Current tax			
(3) Deferred tax		142.70	16.11
		17.86	22.61
<b>V Profit After Tax (III-IV)</b>		<b>349.36</b>	<b>469.82</b>
<b>VI Other Comprehensive Income</b>			
<b>VII Total Comprehensive Income for the Year (V-VI)</b>		<b>349.36</b>	<b>469.82</b>
<b>VIII Earnings per equity share: (nominal value of share Rs. 10/-)</b>	<b>D [XV]</b>		
(1) Basic		7.59	10.20
(2) Diluted		7.59	10.20

See Accompanying notes to the financial statements

As per our report of even date

For, Mukesh M. Shah & Co.  
**CHARTERED ACCOUNTANTS**  
ICAI Firm Reg. No. 106625W



CA. Suvrat S. Shah  
Partner  
Membership No. 102651  
Place : Ahmedabad  
Date : 10. Jan. 2024

For and on Behalf of the Board of Directors

Name: Gurinder Singh  
Designation : Director  
DIN: 09708331  
Dahej SEZ Limited

Name: R. D. Bhargava  
Designation : Director  
DIN: 10236053  
Dahej SEZ Limited

D. Shreshank  
Company Secretary  
Dahej SEZ Limited  
Place : Gandhinagar  
Date : 10 - Jan - 2024

C.E.O. J. B. Patel  
Dahej SEZ Limited  
Place : Gandhinagar





**DAHEJ SEZ LIMITED**  
**Cash Flow Statement for the Period ended on 31st March, 2023**

Rs. in Millions

Particulars	Year ended March 31,		Year ended March 31,	
	2023		2022	
<b>Cash Flow from Operating Activities</b>				
Net Profit before Tax and Extra Ordinary Items	507.09		486.66	
<b>Adjustment for:</b>				
Depreciation and amortisation	83.12		92.54	
Gain from sale of Property, Plant and Equipment	-		0.00	
Interest Expenses	61.00		55.53	
Prior Period Income/Expense Adjustment	-		(2.05)	
Dividend Income	(2.00)		-	
Late payment charges on service charges and Interest on late payment	(5.21)		(4.71)	
Interest Income	(56.74)		(59.53)	
<b>Cash flow before change in Working Capital</b>		<b>587.25</b>		<b>568.44</b>
<b>Adjustment for:</b>				
<b>Current Assets</b>				
Trade Receivables	31.78		(19.81)	
Other non current financial assets	21.25		156.54	
Other current assets	28.58		(31.64)	
<b>Current Liabilities</b>				
Trade Payables	6.48		(15.06)	
Other Long term liabilities	112.51		(398.73)	
Other current liabilities	(130.95)		300.80	
Provisions	-		1.87	
Cash flow from operating activities		<b>69.65</b>		<b>(6.02)</b>
Direct Taxes paid (net of refund)		<b>(104.36)</b>		<b>(68.86)</b>
<b>Net Cash Flow from operating activities</b>		<b>552.54</b>		<b>493.56</b>
<b>Cash flow from Investing Activities</b>				
Purchase of Property, Plant and Equipments	(167.02)		(344.35)	
Sale of Property, Plant and Equipments	-		0.01	
Proceeds from/(investment in) bank deposits (with original maturity over 3 months)	222.72		(147.99)	
Late payment charges on service charges and Interest on late payment	5.21		4.71	
Dividend Income	2.00		-	
Interest Received	63.58		59.53	
		<b>126.50</b>		<b>(428.09)</b>
<b>Cash flow from Financing Activities</b>				
Repayment of Loan to GSFS	(625.00)		-	
Interest Paid	(61.00)		(55.53)	
		<b>(686.00)</b>		<b>(55.53)</b>
<b>Net increase / (Decrease) in cash and cash Equivalents</b>		<b>(6.95)</b>		<b>9.94</b>
Opening cash and cash equivalents	11.81		1.87	
<b>Closing cash and cash equivalents</b>				
(I) Cash on Hand	-		-	
(ii) Bank Balance				
- In current Accounts	5.29		11.81	
- In deposits with original maturity of less than 3 months	-		-	
(iii) Others	-		-	
<b>Closing cash and cash equivalents at the end of the period</b>		<b>5.29</b>		<b>11.81</b>

**Notes:**

- 1) The above cash flow statement has been prepared as per the "Indirect method" set out in the Indian Accounting Standard (Ind AS) - 7 Statement of Cash Flows.
- 2) Figures in bracket indicate cash outflow.
- 3) Previous year figures have been regrouped and recast wherever necessary to confirm to current year's classification.

For, Mukesh M. Shah & Co.  
**CHARTERED ACCOUNTANTS**  
ICAIA Firm Reg. No. 106625W

CA. Suvrat S. Shah  
Partner  
Membership No. 102651  
Place : Ahmedabad  
Date : 10 - Jan. 2024



For and on Behalf of the  
Board of Directors

*(Signature)*  
Name: Gurvinder Singh  
Designation : Director  
DIN: 09708331  
Dahej SEZ Limited

*(Signature)*  
D. Shashank  
Company Secretary  
Dahej SEZ Limited  
Place : Gandhinagar  
Date : 10 - Jan - 2024

For and on Behalf of the  
Board of Directors

*(Signature)*  
Name: R. D. Bhagoria  
Designation : Director  
DIN: 10236053  
Dahej SEZ Limited

*(Signature)*  
C.E.O. J. B. Patel  
Dahej SEZ Limited  
Place : Gandhinagar





**DAHEJ SEZ LIMITED**

**Statement of Changes in Equity [SOCIE]**

**a. Equity Share Capital:**

Rs. in Millions


Particulars	Number of Shares	Amount
<b>ISSUED, SUBSCRIBED AND PAID UP CAPITAL</b>		
Equity Shares of Rs. 10 Each Fully Paid Up		
<b>As at 01-04-2021</b>	<b>4,60,50,000.00</b>	<b>460.50</b>
Increase / (Decrease) during the Year	-	-
<b>As at 31-03-2022</b>	<b>4,60,50,000.00</b>	<b>460.50</b>
Increase / (Decrease) during the Year	-	-
<b>As at 31-03-2023</b>	<b>4,60,50,000.00</b>	<b>460.50</b>

**b. Other Equity:**

Rs. in Millions

Particulars	Reserves & Surplus	Total
	Retained Earnings	
<b>Balance as at 31/03/2021</b>	<b>1,715.13</b>	<b>1,715.13</b>
Total Comprehensive Income for the Year	469.82	469.82
Prior Period Errors	-2.05	-2.05
<b>Balance as at 31/03/2022</b>	<b>2,182.90</b>	<b>2,182.90</b>
Total Comprehensive Income for the Year	349.36	349.36
Prior Period Errors & Omissions	-	-
<b>Balance as at 31/03/2023</b>	<b>2,532.25</b>	<b>2,532.25</b>

As per our report of even date  
For, Mukesh M. Shah & Co.  
CHARTERED ACCOUNTANTS  
ICAI Firm Reg. No. 106625W

*C. S. Shah*  


CA. Suvrat S. Shah  
Partner  
Membership No. 102651  
Place : Ahmedabad  
Date : 10-Jan-2024

For and on Behalf of the Board of Directors

*Gurinder Singh*  
Name: Gurinder Singh  
Designation : Director  
DIN: 09708331  
Dahej SEZ Limited

*R. D. Bhagora*  
Name: R. D. Bhagora  
Designation : Director  
DIN: 10236053  
Dahej SEZ Limited

*D. Shashank*  
Company Secretary  
Dahej SEZ Limited  
Place : Gandhinagar  
Date : 10-Jan-2024

*J. B. Patel*  
C.E.O.  
Dahej SEZ Limited  
Place : Gandhinagar





DAHEJ SEZ LIMITED  
NOTES ACCOMPANYING FINANCIAL STATEMENTS

Note 1  
Property, Plant & Equipments and Intangible Assets

		Gross Block					Accumulated Depreciation			Net Block	
Property, Plant and Equipments		Li fa of Asset (Yr.)	Balance as at April 1,2022	Additions/ (Disposals)	Adjustment During the Year	Balance as at 31/03/2023	Balance as at April 1, 2022	Adjustment During the Year Additions/(Disposals)	Depreciation charge for the Period 1.4.22 to 31.03.2023	Balance as at March 31, 2023	Balance as at March 31, 2022
<b>A Property, Plant &amp; Equipments :</b>											
1.1	Land under lease	99	5,418.38	-	-	5,418.38	842.99	-	54.85	897.84	4,575.39
1.2	Right of Use Asset (Refer Note No.D (XIII))	99	0.25	-	(0.01)	0.24	0.01	(0.00)	0.00	0.23	0.24
	<b>Total</b>		<b>5,418.63</b>	<b>-</b>	<b>(0.01)</b>	<b>5,418.62</b>	<b>843.00</b>	<b>(0.00)</b>	<b>54.85</b>	<b>897.86</b>	<b>4,575.62</b>
<b>2 Infrastructure :-</b>											
2.1	Chainlink Fencing & Compound Wall	5	235.04	-	(8.03)	227.01	223.28	(7.63)	-	215.66	11.75
2.2	Basic Infra Facility i.e., Drainage, water supply network, road & foot path, street light, SWD	10	1,668.64	-	-	1,668.64	1,585.21	-	-	1,585.21	83.43
2.2.a	Road with Foot path and SWD	15	147.03	-	-	147.03	131.29	-	2.85	134.14	15.75
2.2.b	Water Supply Work	15	211.14	-	-	211.14	188.68	-	4.06	192.75	22.46
2.2.c	Drainage Net work	10	50.29	-	-	50.29	47.78	-	-	47.78	2.51
2.2.d	Street Light	10	65.17	-	-	65.17	60.37	-	0.53	60.90	4.81
2.2.e	Others	10	-	-	-	-	2,013.32	-	7.45	2,020.77	121.51
	<b>Total of 2.2 (2.2.a to 2.2.e)</b>		<b>2,142.28</b>	<b>-</b>	<b>-</b>	<b>2,142.28</b>	<b>2,013.32</b>	<b>-</b>	<b>7.45</b>	<b>2,020.77</b>	<b>128.96</b>
2.3	Water Supply i.e., Pump house and Drainage pumping station										
2.3.a	Building (other than factory building), RCC frame structure	60	140.19	-	-	140.19	56.49	-	4.12	60.61	83.69
2.3.b	Carpeted Road - other than RCC	5	9.17	-	-	9.17	8.71	-	-	8.71	0.46
2.3.c	Electrical Installation & Equipments	10	28.44	-	-	28.44	24.94	-	0.90	25.85	3.49
2.3.d	Pipeline and sluices	15	31.23	-	-	31.23	24.01	-	1.31	25.31	7.23
	<b>Total of 2.3 (2.3.a to 2.3.d)</b>		<b>209.03</b>	<b>-</b>	<b>-</b>	<b>209.03</b>	<b>114.16</b>	<b>-</b>	<b>6.33</b>	<b>120.49</b>	<b>94.87</b>
<b>Other Works</b>											
2.4	RCC frame Structure (other than factory buildings)	60	4.24	-	-	4.24	1.80	-	0.12	1.92	2.32
2.4.a	Buildings (other than factory buildings)	3	5.33	-	-	5.33	5.06	-	-	5.06	0.27
2.4.b	Carpeted Roads - other than RCC	5	0.95	-	-	0.95	0.90	-	-	0.90	0.05
2.4.c	Electrical Installation & Equipments & Carpeted Roads - RCC	10	2.91	-	-	2.91	2.77	-	-	2.77	0.15
2.4.d	Hydraulic works, pipelines and Sluices	15	3.01	-	-	3.01	2.78	-	0.04	2.82	0.18
	<b>Total of 2.4 (2.4.a to 2.4.d)</b>		<b>16.44</b>	<b>-</b>	<b>-</b>	<b>16.44</b>	<b>13.32</b>	<b>-</b>	<b>0.16</b>	<b>13.48</b>	<b>3.12</b>
2.5	Agency Charges										
2.5.a	Agency Charges	60	10.83	-	-	10.83	4.33	-	0.32	4.64	6.51
2.5.b	Agency Charges	15	25.49	-	-	25.49	22.53	-	0.54	23.06	2.96
2.5.c	Agency Charges	10	116.54	-	-	116.54	110.55	-	0.07	110.62	5.91
2.5.d	Agency Charges	5	3.01	-	-	3.01	2.86	-	-	2.86	0.15
2.5.e	Agency Charges	5	7.27	-	(0.60)	6.67	6.91	(0.57)	-	6.34	0.36
2.5.f	Agency Charges	3	0.40	-	-	0.40	0.38	-	-	0.38	0.02
	<b>Total of 2.5 (2.5.a to 2.5.f)</b>		<b>163.54</b>	<b>-</b>	<b>(0.60)</b>	<b>162.94</b>	<b>147.56</b>	<b>(0.57)</b>	<b>0.92</b>	<b>147.91</b>	<b>15.99</b>
2.6	C.I.P. work of Infrastructure (Govt Grant)	60	30.06	-	-	30.06	28.56	-	-	28.56	1.50
2.7	Sewage Treatment Plant	15	1.35	-	-	1.35	1.10	-	0.05	1.15	0.24
2.8	Other Works (B) 5 year	5	4.09	-	-	4.09	3.88	-	-	3.88	0.20
2.9	Misc. Exps. (B) 5 year	5	15.86	-	-	15.86	15.07	-	0.00	15.07	0.79
2.10	Misc. Exps. (A) 3 year	3	28.77	-	-	28.77	27.33	-	0.00	27.33	1.44
2.11	Prefabricated Shops	3	1.96	-	-	1.96	1.86	-	-	1.86	0.10
2.12	Street Light	10	7.41	-	-	7.41	6.34	-	0.23	6.57	0.84
2.13	Electric Fittings	10	3.03	-	-	3.03	1.72	-	0.33	2.06	0.97
2.14	Carpeted Road - RCC	10	21.51	-	-	21.51	16.18	-	1.38	17.56	3.95
2.15	Approach road to port Area	5	63.84	-	-	63.84	55.65	-	3.69	59.34	4.50
2.16	Construction & Road widening Road no.5,9,10,11	10	26.57	-	-	26.57	15.77	-	2.80	18.56	8.00
2.17	carpeted Road - other than RCC	5	29.44	-	-	29.44	27.89	-	0.08	27.97	1.47
	<b>Total of (2.1 to 2.17)</b>		<b>3,000.22</b>	<b>-</b>	<b>(8.63)</b>	<b>2,991.58</b>	<b>2,712.99</b>	<b>(8.20)</b>	<b>23.42</b>	<b>2,736.21</b>	<b>287.22</b>

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MUKESH M. SHAH & CO. \*  
7, Heritage Chambers,  
Nehru Nagar,  
Ahmedabad-15  
\* CHARTERED ACCOUNTANTS \*





DAHEJ SEZ LIMITED  
NOTES ACCOMPANYING FINANCIAL STATEMENTS

Note 1  
Property, Plant & Equipments and Intangible Assets

	Property, Plant and Equipments	Li Fe of Asset (Yr.)	Gross Block			Accumulated Depreciation			Net Block	
			Balance as at April 1, 2022	Additions/ (Disposals)	Adjustment During the Year	Balance as at 31/03/2023	Balance as at April 1, 2022	Depreciation charge for the Period 1.4.22 to 31.03.2023	Balance as at March 31, 2023	Balance as at March 31, 2022
3	Office Building (Gandhinagar)	60	8.05	-	-	8.05	3.68	0.21	4.16	4.37
4	Green Building Dahel Part-1	60	50.16	-	-	50.16	18.18	1.56	30.43	31.98
5	Green Building Dahel Part-2	60	25.53	-	-	25.53	9.26	0.79	15.48	16.27
6	Fire Station Building Part-1	60	8.34	-	-	8.34	3.02	0.26	5.05	5.31
7	Fire Station Building Part-2	60	4.90	-	-	4.90	0.21	0.23	4.46	4.69
8	Furniture and Fixtures	10	9.22	-	-	9.22	7.17	0.50	1.55	2.05
9	Office Equipments	5	6.20	-	-	6.20	5.54	0.18	0.48	0.66
10	Vehicles	8	10.79	-	-	10.79	8.10	0.79	1.90	2.70
11	Electric Fittings (Gandhinagar & DC office A bad)	10	1.24	-	-	1.24	0.94	0.07	0.23	0.30
12	CCTV Cameras	5	1.03	-	-	1.03	0.98	-	0.05	0.05
13	Computer	3	4.05	0.03	-	4.08	3.54	0.26	0.28	0.50
	<b>Total A (1 to 12)</b>		<b>8,548.35</b>	<b>0.03</b>	<b>(8.64)</b>	<b>8,539.75</b>	<b>3,616.62</b>	<b>83.12</b>	<b>4,848.22</b>	<b>4,931.74</b>
B	Capital Work in Progress		348.97	166.98	-	515.95	-	-	515.95	348.97
	<b>Total B</b>		<b>348.97</b>	<b>166.98</b>	<b>-</b>	<b>515.95</b>	<b>-</b>	<b>-</b>	<b>515.95</b>	<b>348.97</b>
C	Intangible Assets									
	Software		0.67	-	-	0.67	0.67	0.00	0.67	0.00
	<b>Total C</b>		<b>0.67</b>	<b>-</b>	<b>-</b>	<b>0.67</b>	<b>0.67</b>	<b>0.00</b>	<b>-</b>	<b>0.00</b>
	<b>Total (A + B + C)</b>		<b>8,897.99</b>	<b>167.02</b>	<b>(8.64)</b>	<b>9,056.37</b>	<b>3,617.29</b>	<b>83.12</b>	<b>5,364.17</b>	<b>5,280.71</b>
	<b>Net Depreciation Transferred to Profit &amp; Loss A/c</b>									
	<b>Previous Year Total</b>		<b>854.71</b>	<b>355.29</b>	<b>-5.01</b>	<b>516.63</b>	<b>3,524.80</b>	<b>92.54</b>	<b>3,617.29</b>	<b>5,022.91</b>

Note:

- GIDC has allotted 1682.40 hectares area of land on lease of 99 years to Dahel SEZ Ltd for development of M.P.V. SEZ at Dahel. Dist Bhavnagar. DSHL has allotted allocable 1235.62 hectares area of land on lease for 30 years to different allottees upto 31.03.2023. (In the year 2007-08=104.30 hectares land, 2008-09=110.55 hectares land, 2009-10=674.10 hectares land, 2010-11=60.27 hectares land, 2011-12= 14.39 hectares land, 2012-13= 35.66 hectares land, 2013-14= 27.11 hectares land, 2014-15= 47.83 hectares land, 2015-16= 65.23 hectares land, 2016-17= 19.18 hectares land, in 2017-18= 21.37 hectares land in 2018-19= 2.80 hectares land, in 2019-20=1.63 hectares land, in 2020-21=22.08 hectares land, in 2021-22=2.50 hectares land and in 2022-23 =19.50 hectares land)
- There has not been any impairment / revulsion in last five years in any class of assets.



**DAHEJ SEZ LIMITED**  
**NOTES ACCOMPANYING FINANCIAL STATEMENTS**

**Note 2**  
**Investments**

Particulars	Rs. in Millions	
	As at March 31, 2023	As at March 31, 2022
<b>Non-Trade Investments</b>		
Investments at fair value through other comprehensive Income [FVTOCI]	100.00	100.00
Unquoted Equity Shares		
Investment in others - equity - unquoted		
[1,00,00,000 Equity shares of Rs. 10/- fully paid up in Bharuch Dahej Railway Corporation Limited (BDRCL)]		
<b>Total</b>	<b>100.00</b>	<b>100.00</b>

**Note 3**  
**Other Financial Assets**

Particulars	Rs. in Millions	
	As at March 31, 2023	As at March 31, 2022
<b>(a) Non Current</b>		
Dues Receivable (From Allottee) A/c	160.70	181.96
<b>Total</b>	<b>160.70</b>	<b>181.96</b>
<b>(b) Current</b>		
Balance with Statutory Authorities	4.46	3.01
Interest receivable on FDR	14.01	20.86
Dues Receivable (From Allottee) A/c	21.26	21.26
Others	1.13	29.53
<b>Total</b>	<b>40.85</b>	<b>74.65</b>

**Note 4**  
**Deferred Tax Assets**

Particulars	Rs. in Millions	
	As at March 31, 2023	As at March 31, 2022
Deferred Tax Assets	178.90	196.75
<b>Total</b>	<b>178.90</b>	<b>196.75</b>

**Note 5**  
**Other Non-current Assets**

Particulars	Rs. in Millions	
	As at March 31, 2023	As at March 31, 2022
<b>Capital Advances</b>		
GIDC Land A/c (New SEZ)	5,000.00	5,000.00
<b>Advances other than capital Advances</b>		
Security Deposits	2.19	2.18
Duty Draw Back Receivable	0.52	0.52
Balance with Statutory Authorities	0.01	0.01
<b>Total</b>	<b>5,002.72</b>	<b>5,002.71</b>

**Note 6**  
**Assets for Tax [Net]**

Particulars	Rs. in Millions	
	As at March 31, 2023	As at March 31, 2022
<b>Others</b>		
Income Tax (Net)	77.85	147.77
MAT Credit Entitlement	230.70	284.80
<b>Total</b>	<b>308.55</b>	<b>432.57</b>





**DAHEJ SEZ LIMITED**  
**NOTES ACCOMPANYING FINANCIAL STATEMENTS**

**Note 7**  
**Trade Receivables [Unsecured]**

Particulars	Rs. in Millions	
	As at March 31, 2023	As at March 31, 2022
<b>(i) Considered Good</b>		
Trade Receivables from Others	35.29	67.06
Receivables from Related Parties	0.03	0.03
	35.32	67.10
<b>(ii) Having Significant increase in Credit risk</b>		
Trade Receivables from Others	45.35	-
	45.35	-
<b>Less : Allowance for Credit Loss</b>	45.35	-
<b>Total Trade Receivables</b>	<b>35.32</b>	<b>67.10</b>

**Note 8**  
**Cash and cash equivalents**

Particulars	Rs. in Millions	
	As at March 31, 2023	As at March 31, 2022
<b>Balance with banks:</b>		
On current accounts	5.29	11.81
<b>Cash on hand</b>		-
	5.29	11.81
<b>Amount disclosed under non-current assets</b>		
<b>Total</b>	<b>5.29</b>	<b>11.81</b>

**Note 9**  
**Bank balance other than cash and cash equivalent**

Particulars	Rs. in Millions	
	As at March 31, 2023	As at March 31, 2022
Deposit with Banks with Original maturity for more than 3 months but less than or equal to 12 months		
State Bank of India	306.75	9.05
<b>Total</b>	<b>306.75</b>	<b>9.05</b>

**Note 10**  
**Current Assets**

Particulars	Rs. in Millions	
	As at March 31, 2023	As at March 31, 2022
<b>(a) Other Current Assets</b>		
<b>Advances other than Capital Advances</b>		
Fixed Deposits with Financial Institutions - GSFS	627.60	1,148.02
Prepaid Expenses	0.55	0.52
Advance to Vendors	0.96	2.60
Others	0.24	0.26
<b>Total</b>	<b>629.35</b>	<b>1,151.40</b>





DAHEJ SEZ LIMITED									
NOTES ACCOMPANYING FINANCIALS STATEMENTS									
Rs. in Millions									
<b>Note 7 : Trade Receivable</b>									
<b>Ageing for Trade Receivable outstanding as at March 31, 2023 is as follows:</b>									
Particulars	Unbilled Amount	Amount not due	Outstanding for following periods from the due date of payment				Total		
			Less than 6 months	between 6 months and 1 year	between 1 and 2 years	between 2 and 3 years			
Undisputed – considered good	-	-	21.16	8.62	3.27	0.87	1.40	35.32	
Undisputed – have significant increase in credit risk	-	-	4.55	3.69	7.46	5.15	24.51	45.35	
Undisputed – credit impaired	-	-	-	-	-	-	-	-	
Disputed – considered good	-	-	-	-	-	-	-	-	
Disputed - have significant increase in credit risk	-	-	-	-	-	-	-	-	
Disputed - credit impaired	-	-	-	-	-	-	-	-	
<b>Total</b>	-	-	<b>25.71</b>	<b>12.31</b>	<b>10.73</b>	<b>6.02</b>	<b>25.91</b>	<b>80.67</b>	
Less: Allowances for credit losses								<b>-45.35</b>	
<b>Trade Receivables</b>								<b>35.32</b>	
<b>Ageing for Trade Receivable outstanding as at March 31, 2022 is as follows:</b>									
Particulars	Unbilled Amount	Amount not due	Outstanding for following periods from the due date of payment				Total		
			Less than 6 months	between 6 months and 1 year	between 1 and 2 years	between 2 and 3 years			
Undisputed – considered good	-	-	27.19	7.18	6.15	4.79	11.50	56.80	
Undisputed – have significant increase in credit risk	-	-	-	-	-	3.45	6.85	10.30	
Undisputed – credit impaired	-	-	-	-	-	-	-	-	
Disputed – considered good	-	-	-	-	-	-	-	-	
Disputed - have significant increase in credit risk	-	-	-	-	-	-	-	-	
Disputed - credit impaired	-	-	-	-	-	-	-	-	
<b>Total</b>	-	-	<b>27.19</b>	<b>7.18</b>	<b>6.15</b>	<b>8.24</b>	<b>18.35</b>	<b>67.10</b>	
Less: Allowances for credit losses								-	
<b>Trade Receivables</b>								<b>67.10</b>	





**DAHEJ SEZ LIMITED**
**NOTES ACCOMPANYING FINANCIAL STATEMENTS**
**Note 11**
**Share Capital**
**Authorised, Issued, Subscribed and Fully paid up shares**

Share Capital	As at March 31, 2023		As at March 31, 2022	
	Number	Rs. in Million	Number	Rs. in Million
<b>Authorised share capital</b>				
Equity Shares of Rs. 10 each	10,00,00,000.00	1,000.00	10,00,00,000.00	1,000.00
<b>Issued, subscribed and fully paid up share capital</b>				
Equity Shares of Rs. 10 each	4,60,50,000.00	460.50	4,60,50,000.00	460.50
Total issued, subscribed and fully paid-up share capital	4,60,50,000.00	460.50	4,60,50,000.00	460.50

Disclosure pursuant to part 1 of Division II to Schedule III of Companies Act, 2013 as notified vide Notification No. G.S.R. 404 (E) dated 6th April, 2016.

**A. Statement of changes in equity**

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number	Rs. in Million	Number	Rs. in Million
Balance at the beginning of the year	4,60,50,000.00	460.50	4,60,50,000.00	460.50
<b>Changes in the equity share capital during the year:</b>				
1) Shares Issued during the year	-	-	-	-
2) Shares bought back during the year	-	-	-	-
Balance at the end of the year	4,60,50,000.00	460.50	4,60,50,000.00	460.50

**b. Terms/rights attached to equity shares**

The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the liquidator may divide amongst the members, in specie or kind, the whole or any part of the assets of the company. The distribution will be in proportion to the number of the equity shares held by share holders. In 20th Board Meeting held on 7th January, 2012, Director - ONGC informed that Shareholders' Agreement needs to be executed among the promoters of the company and accordingly Draft Agreement has been submitted to GIDC and ONGC for discussion and finalization.

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

Name of Shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Gujarat Industrial Development Corporation	2,30,24,700.00	49.9993%	2,30,24,700.00	49.9993%
Oil and Natural Gas Corporation Limited	2,30,24,800.00	49.9996%	2,30,24,800.00	49.9996%

**d. Details of Shares held by promoters**

Name of the Promoter	As at March 31, 2023		As at March 31, 2022	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Gujarat Industrial Development Corporation	2,30,24,700.00	49.9993%	2,30,24,700.00	49.9993%
Oil and Natural Gas Corporation Limited	2,30,24,800.00	49.9996%	2,30,24,800.00	49.9996%
Shri Vijay N Iyah	100.00	0.0002%	100.00	0.0002%
Shri Roopesh Kumar	100.00	0.0002%	100.00	0.0002%
Smt. D. Thara IAS	100.00	0.0002%	100.00	0.0002%
Shri D N Brahmabhatt	100.00	0.0002%	100.00	0.0002%
Dr. Rajiv Kumar Gupta IAS	100.00	0.0002%	100.00	0.0002%
	<b>4,60,50,000.00</b>	<b>100%</b>	<b>4,60,50,000.00</b>	<b>100%</b>



**DAHEJ SEZ Limited**  
**NOTES ACCOMPANYING FINANCIAL STATEMENTS**

**Note 12**  
**Other Equity**

Particulars	Reserves & Surplus	Rs. in Millions
	Retained Earnings	Total
<b>Balance as at 31/03/2021</b>	<b>1,715.13</b>	<b>1,715.13</b>
Total Comprehensive Income for the Year	469.82	469.82
Prior Period Income	0.14	0.14
Prior period Expense	(2.18)	(2.18)
<b>Balance as at 31/03/2022</b>	<b>2,182.90</b>	<b>2,182.90</b>
Total Comprehensive Income for the Year	349.36	349.36
<b>Balance as at 31/03/2023</b>	<b>2,532.25</b>	<b>2,532.25</b>





DAHEJ SEZ Limited			
NOTES ACCOMPANYING FINANCIAL STATEMENTS			
<b>Note 13</b>			
<b>Borrowings:</b>			
Particulars	As at March 31, 2023	Rs. in Millions	
		As at March 31, 2023	As at March 31, 2022
<b>Non-Current:</b>			
GSFS LongTerm Loan A/c.	1,041.67		1,875.00
<b>Current:</b>			
GSFS LongTerm Loan A/c.	833.33		625.00
<b>Total</b>	<b>1,875.00</b>		<b>2,500.00</b>
The Company has received Loan of Rs. 2500 million from Gujarat State Financial Services [GSFS] to pay advance amount to GIDC for acquisition of Land. The loan has to be repaid in five years with a moratorium period of two years.			
<b>Note 14</b>			
<b>Trade Payable</b>			
Particulars	As at March 31, 2023	Rs. in Millions	
		As at March 31, 2023	As at March 31, 2022
<b>Non-Current:</b>			
Creditors for Capital Expenditure	214.16		214.16
<b>Total</b>	<b>214.16</b>		<b>214.16</b>
<b>Current:</b>			
Total Outstanding dues of Micro Enterprises and Small Enterprises [*]	1.28		0.27
Others	25.63		20.16
Other Trade Payables in respect of Capital Expenses	15.93		15.93
<b>Total</b>	<b>42.85</b>		<b>36.37</b>
<b>[*] Disclosure in respect of Micro, Small and Medium Enterprises:</b>			
A. Principal amount remaining unpaid to any supplier as at the year end	1.28		0.27
B. Interest due thereon	-		-
C. Amount of interest paid by the Company in terms of section 16 of the MSMED along with the amount of the payment made to the supplier beyond the appointed day during the year.	-		-
D. Amount of interest due and payable for the period of delay in making payment [which have been paid but beyond the appointed day during the year] but without adding the interest specified under the MSMED.	-		-
E. Amount of interest accrued and remaining unpaid at the end of the year	-		-
The above information has been compiled in respect of parties to the extent to which they could be identified as Micro, Small and Medium Enterprises on the basis of information available with the Company.			
<b>Note 15</b>			
<b>Other Financial Liabilities</b>			
Particulars	As at March 31, 2023	Rs. in Millions	
		As at March 31, 2023	As at March 31, 2022
<b>Non-Current:</b>			
Interest payable to GIDC	648.33		587.35
<b>Total</b>	<b>648.33</b>		<b>587.35</b>
<b>Current:</b>			
Others	3.08		0.38
Statutory Liabilities / Duties & Taxes	2.89		3.01
GSFS's Interest Payable	12.95		15.62
<b>Total</b>	<b>18.91</b>		<b>19.01</b>
<b>Note 16</b>			
<b>Other long-term liabilities</b>			
Particulars	As at March 31, 2023	Rs. in Millions	
		As at March 31, 2023	As at March 31, 2022
<b>Non-Current:</b>			
Upfront Lease Income (received in advance)	5,842.74		5,760.81
Deferred Government of Gujarat Grant for Capital Asset	7.66		9.37
<b>Deposits</b>			
Deposit - allotment	56.96		28.74
Deposit - Others	20.41		16.35
<b>Total</b>	<b>5,927.77</b>		<b>5,815.26</b>
<b>Note 17</b>			
<b>Other Current Liabilities</b>			
Particulars	As at March 31, 2023	Rs. in Millions	
		As at March 31, 2023	As at March 31, 2022
<b>Deposits</b>			
Deposit - allotment	3.94		1.64
Deposit - Others	1.82		3.80
Upfront Lease Income (received in advance)	335.40		318.70
Advances from Allottees for Land and ROU	15.30		254.29
Advance from Sundry Debtors	9.09		3.72
Expenses Payable	43.43		21.19
Provision for Employee Benefits	3.61		1.07
<b>Total</b>	<b>412.59</b>		<b>604.40</b>
<b>Note 18</b>			
<b>Tax Liabilities</b>			
Particulars	As at March 31, 2023	Rs. in Millions	
		As at March 31, 2023	As at March 31, 2022
<b>Current:</b>			
MAT Payable (FY 2020-21)	-		-
MAT Payable (FY 2021-22)	-		88.49
<b>Total</b>	<b>-</b>		<b>88.49</b>





**DAHEJ SEZ Limited**  
**NOTES ACCOMPANYING FINANCIALS STATEMENTS**

Rs. in Millions

**Note : 14 : Trade Payable**

**Ageing for Trade Payable outstanding as at March 31, 2023 is as follows:**

Particulars	Not due	Outstanding for following periods from the due date of payment			Total
		Less than 1 year	between 1 and 2 years	between 2 and 3 years	
MSME Parties	-	1.28	-	-	1.28
Others	-	13.20	12.03	0.16	71.32
Disputed Dues - MSME Parties	-	-	-	-	-
Disputed Dues - Others	-	-	-	184.40	184.40
	-	14.48	12.03	0.16	230.33
					257.00

**Ageing for Trade Payable outstanding as at March 31, 2022 is as follows:**

Particulars	Not due	Outstanding for following periods from the due date of payment			Total
		Less than 1 year	between 1 and 2 years	between 2 and 3 years	
MSME Parties	-	0.27	-	-	0.27
Others	-	19.75	0.25	15.93	65.84
Disputed Dues - MSME Parties	-	-	-	-	-
Disputed Dues - Others	-	-	-	184.40	184.40
	-	20.03	0.25	15.93	214.31
					250.52





**DAHEJ SEZ Limited**  
**NOTES ACCOMPANYING FINANCIAL STATEMENTS**

**Note 19**  
**Revenue From Operations**

Rs. in Millions		
Particulars	For the Year ending March 31, 2023	For the Year ending March 31, 2022
<b>Operating revenues</b>		
Lease Rent on Sub Lease & service charges	362.94	307.84
ROU and Road Crossing Charges	39.54	19.07
Apportioned Lease	330.41	297.60
	<b>732.88</b>	<b>624.50</b>
<b>Other Operating revenues</b>		
License Fees	2.00	2.00
EMD / Deposit Forfeiture	0.09	0.11
Application Fees	2.10	2.31
Transfer Fee Income	-	5.78
Scrutiny Fees for Approval of Plan	0.96	0.51
Penalty Fees /Charges	3.39	25.66
Tender Fee Income	0.17	0.09
Rent & Royalty Income (F/C)	5.40	4.83
GRT Fees Income	0.29	0.16
Deposit Forfeiture Account	1.54	-
Misc. income / Recoveries	8.26	0.09
	<b>24.18</b>	<b>41.56</b>
<b>Total</b>	<b>757.07</b>	<b>666.06</b>

**Note 20**  
**Other Income**

Rs. in Millions		
Particulars	For the Year ending 31 March, 2023	For the Year ending 31 March, 2022
<b>Interest Income</b>		
Interest on Fixed Deposit	56.49	57.92
Interest on Income Tax Refund	-	0.11
Interest on Late Payment of Allotment	0.29	-
Interest on Security Deposit	0.11	1.51
Interest on Late Payment	2.78	2.54
Other Interest	0.14	-
Late Payment Charges on Service Charge	2.14	2.18
Gain on Sale of Property, Plant and Equipment	-	0.00
Dividend Income [From Investments designated as at FVOCI]	2.00	-
Discount earned	-	0.01
Grant Income	-	22.63
Deferred Income on Amortization of the Government Grant	1.71	3.11
Sundry Balances written back	-	0.01
<b>Total</b>	<b>65.66</b>	<b>90.02</b>

**Note 21**  
**Employee Benefit Expense**

Rs. in Millions		
Particulars	For the Year ending 31 March, 2023	For the Year ending 31 March, 2022
Salaries, wages, bonus and other allowances	14.64	12.59
Contract Payment and other allowances	1.27	1.23
Contribution to Provident Fund	0.56	0.59
Group Gratuity cum Life Insurance Scheme	0.14	1.20
<b>Total</b>	<b>16.61</b>	<b>15.60</b>





**DAHEJ SEZ Limited**  
**NOTES ACCOMPANYING FINANCIAL STATEMENTS**

**Note 22**

**Financial costs**

Particulars	Rs. in Millions	
	For the Year ending March 31, 2023	For the Year ending March 31, 2022
Interest on Unpaid lease amortised	60.97	55.24
Other Interest	0.02	0.29
Bank Charges	0.00	0.00
<b>Total</b>	<b>61.00</b>	<b>55.53</b>

**Note 23**

**Other Expenses**

Particulars	Rs. in Millions	
	For the Year ending March 31, 2023	For the Year ending March 31, 2022
Communication Costs	0.34	0.37
Repairs & Maintenance	1.04	6.00
Power and Fuel	1.39	1.24
Stationery and Printing	0.44	0.39
Security Expenses	21.05	19.23
Lease Line Charges	0.66	0.66
Office Expenses	1.33	2.82
Other Expenses	0.18	0.34
Development Commissioner Expenses	23.72	20.61
Legal and Professional Exp	1.62	5.06
Payment to Auditors		
- Audit Fees	0.06	0.06
Consultancy Expenses	1.06	1.08
Other Infrastructure Exp.	25.63	17.47
Travelling Expenses	6.90	6.70
Advertising, Publicity and Business promotion Exp.	1.32	1.14
Entertainment Expenses	0.56	0.45
NAA, lease rent & other Charges	12.45	12.65
Insurance of Property Plant and Equipments	0.35	0.39
Corporate Social Responsibility Expenditure [*]	9.47	9.08
Allowance for credit losses	45.35	
<b>Total</b>	<b>154.91</b>	<b>105.74</b>

[\*] Particulars with regard to CSR activities :

1 Amount required to be spent during the year as per section 135(5)	9.47	9.08
2 Amount spent on CSR for construction/ acquisition of asset	-	-
3 Amount of excess CSR spent of earlier years utilized for the financial year	-	-
4 Excess / (Shortfall) at the end of the financial year	-	-
5 Amount available for set off in succeeding financial year	-	-
6 Total of previous years shortfall	-	-
7 Reasons for shortfall	NA	NA
8 Contribution of CSR made to:		
A Swachh Bharat Kosh		
B India's Braveheart	2.37	-
C Prime Minister's National Relief Fund	2.37	1.68
D Prime Minister's Citizen Assistance and Relief in Emergency Situations fund	2.37	1.68
E Developing state-of-the-art Anganwadi – GCSRA	-	2.00
F Providing Covid-19 kits, plants etc. to Shri Om Hari Vidhya Mandir	-	0.04
G Smart School Project, Government Secondary and Higher Secondary School – GCSRA	-	2.00





**DAHEJ SEZ LIMITED**  
**Notes to the Financial Statements**

**A- Corporate Information :**

- 1 Dahej SEZ Limited ("DSL" or "the Company") was incorporated on September 21, 2004 with the objective of developing Special Economic Zone (SEZ).
- 2 Consequent to the introduction of Special Economic Zone Act, 2005, the Company has received the approval of Government of India as a developer of Multi Product SEZ at Dahej. The company has developed infrastructure for Multi Product SEZ in the Dahej Region.
- 3 Currently, the company is engaged in the development, operation and maintenance of SEZ.

**B - Significant Accounting Policies :**

The following note provides list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented unless otherwise stated.

**I Basis for Preparation**

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS), as prescribed by the Companies (Indian Accounting Standards) Rules, 2015 and the provisions of Companies Act, 2013.

These financial statements have been prepared on historical cost convention basis following accrual system of accounting.

**II Use of Estimates :**

The preparation of financial statements in conformity with Indian Accounting Standards requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures of contingent liabilities as on date of financial statements and reported amounts of revenue and expenditure for the reporting period. Any revision to accounting estimates is recognized prospectively in current and future periods. Actual results could differ from these estimates. Differences, if any, between the actual results and estimates is recognized in the year in which the results are known/materialises.

**Critical estimates and judgments:**

**A Taxes on Income:**

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/ recovered for uncertain tax positions and possibility of utilisation of Minimum Alternate Tax [MAT] credit in future.

**B Property, Plant and Equipment:**

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Management reviews the residual values, useful lives and methods of depreciation of Property, Plant and Equipment at each reporting period end and any revision to these is recognised prospectively in current and future periods. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

**C Employee Benefits:**

Significant judgments are involved in making estimates about the life expectancy, discounting rate, salary increase, etc. which significantly affect the working of the present value of future liabilities on account of employee benefits by way of defined benefit plans.

**D Impairment of Property, Plant and Equipments and Investments:**

Significant judgment is involved in determining the estimated future cash flows from the Investments, Property, Plant and Equipment and Goodwill to determine its value in use to assess whether there is any impairment in its carrying amount as reflected in the financials.

**E Contingent liabilities:**

Significant judgment is involved in determining whether there is a possible obligation, that may, but probably will not require an outflow of resources.

**III Revenue Recognition**

- A** Revenue is recognized to the extent that it is possible that the economic benefits will flow to the Company and the revenue can be reliably measured.
- B** Right of Use (ROU) Charges are annual charges and are charged to allottees on the basis of land permitted to be used by the Company for the period mentioned in the Permission letter.
- C** Incomes from Rent and Royalty are charged every year to allottees on the basis of the units/area allotted.
- D** Service charges and Lease Rent are annual charges and are charged to allottees on the basis of land allotted within SEZ, Dahej. Service Charges are charged to the allottees as per the rates approved by the Development Committee every year.
- E** The land acquired on Lease from GIDC is sub-leased for a period of 30 years. The allotment price for the allotted land is amortized over a period of 30 years from the date of agreement or possession whichever is earlier.
- F** Application money received on account of land allotment is non-refundable in nature and at the time of application EMD paid by allottees is treated as Deposits against the land allotment. In case if the applicant fails to produce LOA from the Development Commissioner or fails to make the payment on allotment, then EMD shall be refunded as per surrender policy of DSL, as decided in the 11th Board Meeting of DSL held on 6.10.2009.
- G** Interest :-
  - a.** Interest on Fixed Deposits:  
Interest Income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rates. Interest income is included under the head "Other Incomes" in the statement of profit and loss.
  - b.** Interest on Late Payment of Installments:  
Allottees are charged interest on account of late payment of due installments. The same is recorded in line with the prudent accounting policies.
- H** Other income is recognised when no significant uncertainty as to its determination or realisation exists.

**IV Property, Plant and Equipments**

- A** Property, plant and equipments are stated at cost of acquisition less accumulated depreciation. The Company capitalizes all costs relating to the acquisition, installation and construction of Property, plant and equipments, up to the date when the assets are ready for commercial use and as per the certificate provided by the GIDC for completion of infrastructure.
- B** The residual value and the useful life of an asset shall be reviewed at least at each financial year-end and, if expectations differ from previous estimates, the change(s) shall be accounted for as a change in an accounting estimate in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors.





**DAHEJ SEZ LIMITED**  
**Notes to the Financial Statements**

**V Depreciation on Property, Plant and Equipments**

- A** Depreciation on Property, Plant and Equipments is calculated following the Written Down Value method and in the manner prescribed under Part "C" of Schedule II of the Companies Act, 2013.
- B** Cost of Leasehold Land amortised equally over the period of the Agreement.

**VI Expenditure on New Projects and Substantial Expansion**

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized as part of the indirect construction cost to the extent to which the expenditure is indirectly related to construction or is incidental thereto. All direct capital expenditure incurred on expansion is capitalized.

**VII Investments**

Investments for long term period are classified as long – term investments. Long-term investments are carried at fair value through other comprehensive Income [FVTOCI].

**VIII Income Taxes**

Tax expense comprises current and deferred tax. Current income – tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India. Company enjoys tax holiday U/s 80 IAB of Income Tax Act, 1961 for the period of ten years effective from financial year 2012-13. Provision of income tax represents amount payable under Minimum Alternate Tax (MAT) provisions of Income Tax Act, 1961. Tax holiday period has been expired w.e.f.01.04.2022.

**A Deferred Tax**

Deferred tax expense or benefit is recognized on timing differences being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more post tax holiday periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. The calculation of the Deferred Tax Assets / Liabilities shall be done annually by the company and the effect thereof shall be given at the year end.

**B MAT Credit Entitlement**

MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the Minimum Alternative Tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT credit entitlement. The calculation of the MAT Credit Entitlement shall be done annually by the company and the effect thereof shall be given at the year end.

**IX Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best management estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best management estimates. Contingent Liabilities are not recognized but are disclosed in the Notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

**X Cash Flow Statement**

Cash Flows are reported using the Indirect Method whereby Profit before Extra Ordinary Items and Tax is adjusted for the Effects of the Transactions of Non-Cash Nature and any Deferral of Accruals of Past or Future Receipts and Payments. The Cash Flow from Operating, Investing and Financing Activities of the Company are Segregated based on available information.

**XI Government Grants**

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an asset, it is recognized either as an income in equal amounts over the expected useful life of the related asset or by deducting grant in arriving at the carrying amount of the assets. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

**XII Leases**

**A Company as Lessee**

The company has taken Land on Lease from GIDC for 99 years effective from 1st September 2006. The Transfer Price has been paid in full to GIDC and the Transfer Price paid is being amortized over the period of 99 years and is being charged to Profit and Loss Account and reduced from the value of the Leasehold Land. The lease being a Finance Lease, the underlying asset has been stated as Leasehold Land in the balance sheet. With effect from 1st April, 2019 the Leasehold land has been reclassified as Right to Use Asset. Over and above the Transfer Price, the company DSL has been paying Lease Rent annually of ₹ 19,858 to GIDC.

**B Company as Lessor**

The land acquired on Lease from GIDC is sub-leased for a period of 30 years to different Lessees by DSL as Lessor. The allotment price for the allotted land has been fully received from the Lessees and the same is amortized over a period of 30 years from the date of agreement or possession whichever is earlier. This Allotment Price is accounted for as Upfront Lease Income. Over and above the Allotment Price, the lessees have to pay Re 2/- Lease Rent every year from 01.04.2022. Under IND AS 116, Lessor Accounting is substantially unchanged from IND AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as stated in IND AS 17. Therefore, IND AS 116 did not have an impact for leases where the Company, DSL is the Lessor.





**DAHEJ SEZ LIMITED**  
**Notes to the Financial Statements**

**XIII Employee benefit**

**A Post-Employment Defined Benefit Plans**  
Gratuity (Funded)

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. As per the plan, the Gratuity Fund Trusts, administered and managed by the Trustees and funded primarily with Life Insurance Corporation of India (LIC), make 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. Vesting occurs upon completion of five years of service. The Trustees are responsible for the overall governance of the plan and to act in accordance with the provisions of the trust deed and rules in the best interests of the plan participants. Each year an Asset-Liability matching study is performed in which the consequences of the strategic investment policies are analyzed in terms of risk and return profiles. Investment and contribution policies are integrated within this study. Liabilities with regard to Gratuity plan are determined by actuarial valuation done by Life Insurance Corporation of India, based upon which, the company makes contributions to the Employee's Gratuity Funds.

**B Post-Employment Defined Contributions Plans**

**a. Provident Fund**

Certain categories of employees of the company receive benefit from a provident fund, a defined contribution plan. Both the employees and employer make monthly contributions to a government administered fund at specified percentage of the covered employees' qualifying salary. The company has no further obligations beyond its monthly contributions.

**b. Leave Encashment**

Provision for Leave encashment to the employees is made during the year. The Company has opted for the Group Leave Encashment Scheme of Life Insurance Corporation of India. The provision made coincides with the Premium paid to the LIC for the Group Leave Encashment Scheme.

**C Risk Exposure**

Through its defined benefit plan the company is exposed to some risk the most significant of which are detailed below.

**a. Discount Rate Risk**

The company is exposed to the risk of fall in discount rate. A fall in discount rate will eventually increase the ultimate cost of providing the above benefit thereby increasing the value of liability

**b. Salary Growth Risk**

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liabilities.

**c. Demographic Risk**

In the valuation of the liability certain demographic (Mortality and Attrition rates) assumptions are made. The company is exposed to this risk to the extent of actual experience eventually being worse compared to the assumptions thereby causing an increase in the benefit cost.

**XIV Impairment of Assets**

The carrying amounts of assets are reviewed at each balance sheet date, if there is any indication of impairment based on internal/external factors. An impairment loss will be recognized wherever the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount is greater of the assets net selling price and value in use. In assessing the value in use the estimated future cash flows are discounted to the present value at the weighted average cost of capital. During the year there are no impairment losses on assets of the Company.

**C - Recent accounting 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. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

**I Ind AS 1 - Presentation of Financial Statements:**

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the financial statements.

**II Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors:**

This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statements.

**III Ind AS 12 - Income Taxes:**

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statement.





**DAHEJ SEZ LIMITED**  
**Notes to the Financial Statements**

**D - Notes to Accounts :**

- I** Till 31st March, 2019, the Government Grant received by the company being a Capital Reserve was reported as part of the Other Equity. Further, the depreciation of the capital asset created out of the Govt Grant received was not routed through Statement of Profit and Loss and was directly deducted from the amount of the Government Grant. With effect from 1st April, 2019 based on the Letter from the Office of the Principal Accountant General (E&RSA), Gujarat No. ES-1/HQ-II/A/cs/DSL/2018-19 /OW/672 dated 4th December, 2019, the depreciation of the capital asset created out of the Govt Grant received is routed through Statement of Profit and Loss, the amount equal to Depreciation on the capital asset created out of the Govt Grant is also shown as the Deferred Income on Amortization of the Government Grant. Similarly, with effect from 1st April, 2019, Government Grant is not shown as part of Other Equity and is shown separately as Deferred Government Grant for Capital Asset as part of Other Long Term Liabilities.
- II** During the year 2017-2018, the company had made the payment to GIDC of ₹ 31,88,35,257 towards N.A.A. Charges, Lease Rent Infrastructure Fund and Interest Charges as per the decision taken by the competent authority. As per the Board Decision taken in the 43rd Board Meeting held on 27th March, 2018, it has been concluded that the above referred amount paid is to be recovered from Units / Allottees of the Company in the tenure of 15 Years. Accordingly, the said amount is collected from the Units/ Allottees as Service Charge Income. After raising the bill on the units/ allottees for the same, it is adjusted against the Dues Receivable from Allottees Account.

**III Deferred Tax**

- A** Deferred tax expense or benefit is recognized on timing differences being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more post tax holiday periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.
- B** The Deferred Tax Position of the Company as on 31-03-2023 is as follows:

[₹ in Millions]		
Particulars	2022-23	2021-22
Opening Balance of Net Deferred Tax Assets/ (Liabilities)	196.75	219.36
Reversal of the Deferred Tax Assets during the Financial Year	(17.86)	(22.61)
Closing Balance of Net Deferred Tax Assets/ (Liabilities)	178.90	196.75

**IV MAT Credit Entitlement**

- A** MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the Minimum Alternative Tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT credit entitlement.
- B** The MAT Credit Entitlement Position of the Company as on 31-03-2023 is as follows:

[₹ in Millions]		
Particulars	2022-23	2021-22
Opening Balance of MAT Credit Entitlement	284.80	212.42
Effect of the MAT Credit for the Year	(54.10)	72.38
Closing Balance of MAT Credit Entitlement	230.70	284.80

- V** The valuation of "Work in Progress" has been taken as per the statements and running bill for Infrastructure Development of SEZ provided by the GIDC with supporting documents. The completed Infrastructure Work which are not certified and handed over are treated as Work in Progress till the certification provided by the GIDC.
- VI** Cost of Leasehold Land includes interest payable to GIDC up to March-2008 [admeasuring to 1710 hectares for total lease cost ₹ 4703.040 Millions and interest payable to GIDC for ₹ 715.34 Millions] is amortized [Amortization amount for the period 01/04/2022 to 31/03/2023 is ₹ 54.86 Millions (PY ₹ 54.85 Millions) over the period of the Agreement of 99 years effective from 1st September 2006, with Gujarat Industrial Development Corporation Ltd.

**VII Contingent Liabilities and Commitments (to the extent not provided for):**

Particulars	Rs. in Millions	
	As at March 31,	
	2023	2022
<b>Contingent Liabilities:</b>		
<b>(A) Claims against the company not acknowledged as debt</b>		
(i) Income-tax	328.06	161.77
(ii) Others	1,280.83	1,280.83
<b>Total</b>	<b>1,608.89</b>	<b>1,442.60</b>

**Detailed notes of Contingent Liabilities:**

- A** Deputy Commissioner of Income Tax had raised demands in Assessment Years 2013-2014, 2014-2015 and 2015-2016 against which appeals had been filed with Commissioner of Income Tax (Appeals), Gandhinagar. No provision had been made against this demand as CIT (A), Gandhinagar has given decision in favor of Dahej SEZ Limited & deleted the demand. The Income Tax Department has filed appeal with the Income Tax Appellate Tribunal against the Order of Commissioner of Income Tax (Appeals), Gandhinagar and the same are pending before ITAT. The Company expects to succeed in those matters, based on the decisions of tribunal in similar matters of earlier years.





**DAHEJ SEZ LIMITED**  
**Notes to the Financial Statements**

- B** For the Assessment Years 2010-2011, 2011-2012 and 2012-2013, the Principal Commissioner of Income Tax, Gandhinagar has filed Tax Appeal before Honourable Gujarat High Court. The Hon'ble Gujarat High Court has admitted the appeal of department. The tax amount involve Rs.8,20,09,760/-, Rs.0 & Rs.0 respectively. No provisions of tax liability of Rs.8,20,09,760/- has been made considering the winning chances of the case.
- C** Deputy Commissioner of Income Tax had raised demand of Rs.21,39,518/- in Assessment Years 2017-2018 against which appeals has been filed with Commissioner of Income Tax (Appeals), Gandhinagar. No provision for demand is made as in earlier years the addition made on similar grounds were deleted by ITAT in favor of DSL.
- D** Deputy Commissioner of Income Tax had raised demands of Rs.50,74,270/- in Assessment Years 2018-2019 against which appeals has been filed with Commissioner of Income Tax (Appeals), Gandhinagar. No provision for demand is made as in earlier years the addition made on similar grounds were deleted by ITAT in favor of DSL.
- E** Deputy Commissioner of Income Tax had raised demands of Rs 7,25,48,690/- in Assessment Years 2014-2015 against which appeals has been filed with Commissioner of Income Tax (Appeals), Gandhinagar. No provision for demand is made as in earlier years the addition made on similar grounds were deleted by ITAT in favor of DSL.
- F** Deputy Commissioner of Income Tax had raised demands of Rs 16,62,86,295/- in Assessment Years 2020-2021 against which appeals has been filed with Commissioner of Income Tax (Appeals), Gandhinagar. No provision for demand is made as in earlier years the addition made on similar grounds were deleted by ITAT in favor of DSL.
- G** Vide Agreement dated 26-11-2008, GIDC had allotted the work of Providing Infrastructure of Dahej SEZ (Package-1) to Atlanta Ltd. The project cost was ₹ 1464.8066 Millions. The work was to be completed within 9 months from 26-11- 2008 on 25-08-2009. There had been dispute between both the parties for the time taken in completion of the project and other matters like deductions made from the amounts of RA Bills, etc. The matter was referred to the Arbitrator who passed the award in favor of Atlanta Ltd on 07-06-2019. The award amount was fixed at ₹ 817.32 Millions. In addition to that simple interest @ 9% p.a. is required to be paid under the said award. The total amount of award including interest till July, 2019 works out to ₹ 1280.83 Millions. GIDC has not accepted the decision of the Arbitrator and had filed the appeal with the Commercial Court / District Court Bharuch and the case has been disposed of by District Court Bharuch. The total amount of award including interest ₹ 1410.53 Millions as per GIDC letter dtd.22.10.2021.
- GIDC vide e-mail dated 09.12.2021 informed about the current status of the case that matter is pending with Hon'ble High Court of Gujarat and Civil Application has been filed by M/s. Atlanta Ltd for withdrawing the amount submitted in registry. GIDC has opposed the same. Both, the execution application and challenge of the award filed by M/s. Atlanta Ltd., are still pending at Hon'ble Bombay High Court.
- The board of DSL has constituted a committee in 62nd BOD meeting held on 10.02.2022 to amicably resolve the issue of fixation of payment liability in this matter.
- As per the appraisal report submitted before the board of DSL in 67th BOD meeting held on 21.07.2023, there is no provision/clause mentioned in the agreement between GIDC and Atlanta, tri-partite agreement between GIDC, DSL and Atlanta or the co developer agreements between GIDC and DSL, there is no liability of DSL in case of any dispute between GIDC and Atlanta.
- H** Dahej SEZ Limited is respondent in the case of GSPL V/s OPAL and Others. The case is in relation to laying ROU Pipeline in SEZ Area. Being SEZ Developer, DSL is party to the case. The Special Civil Application had been filed before the High Court of Gujarat and the same is disposed off. However, GSPL has challenged the decision of Special Civil Application in the High Court of Gujarat and the matter is pending before the High Court of Gujarat. However, in view of the Company, the case shall not be having financial impact on the company. Further to inform that office memorandum vide letter no.K-43014(21)/92021-SEZ dated 13.06.2021, Government of India, Ministry of Commerce & Industry, Department of commerce (SEZ Division) In pursuance of the Hon'ble High Court order and DPE OM dated 22.05.2018, Department of Commerce has decided to form a committee for resolving the dispute in consonance with the letter and spirit of the Special Economic Zones Act, 2005. Latest hearing date on 06.02.2023.
- I** Arora Sales Agency requested to surrender the Plot No Z/69 that was allotted to Arora Sales Agency. The request was accepted by the Development Commissioner subject to undertaking on stamp paper that in case of any future liability arising under the SEZ Act in reasonable period in lieu of any lawful charge and interest, Arora Sales Agency will be liable for such outstanding liability. On surrender of the plot, DSL refunded the balance amount of Plot No Z/69 to Arora Sales Agency as per the Surrender Policy of the company. Aggrieved by the Order passed Development Commissioner, Arora Sales Agency has filed a case in High Court of Gujarat to revoke the surrender of Plot No. Z/69 and restore the Plot No. Z/69 in its name. The case is still pending before the High Court of Gujarat. However, in our opinion, the case shall not be having financial impact on the company, Dahej SEZ Limited.
- J** M/s. ONGC Petro Additions Limited (OPAL) has filed Special Civil Application in the matter of recovery of Stamp Duty paid by M/s. Opal for exit from SEZ area. The case listed on 11.09.2023.
- K** M/s. ONGC Petro additions Limited has filed Special Civil Application in High Court of Gujarat in the matter of recovery of tax benefit obtain by M/s. Opal under SEZ Acts & Rules towards partial De-notification of plot of land allotted by Dahej SEZ Limited to M/s. ONGC Petro Additions Limited. The case is listed on 10.08.2023.





**DAHEJ SEZ LIMITED**  
**Notes to the Financial Statements**

**VIII Segment Information**

The Company is primarily engaged in the business of developing, operating and maintaining the SEZ and SEZ based related infrastructure facilities including Multi Product SEZ at Dahej. The entire business has been considered as a single segment in terms of IND AS 108 on Operating Segments issued by the Institute of Chartered Accountants of India. There being no business outside India, the entire business has been considered as single geographic segment.

**IX Lease Land Accounting**

Transfer of Land from Gujarat Industrial Corporation (GIDC) to DSL is for a lease term period of 99 years. Interest payable on lease consideration for deferral payment for the period 01/09/2006 to 31/03/2008 was being considered as cost of the lease hold land and amortized over a period of 99 years. Interest payable to GIDC on account of late payment of installment payable to GIDC is treated as revenue expenditure, as decided in the 16th Board Meeting held on 30th September, 2010.

**X N.A.A., Lease Rent and Infrastructural Up gradation**

Lease Rent and NAA charges charged on receipt of the Invoice from the concern agency. However, the payment for the quarter ended 31st March, 2023 has been made on the basis of the previous years' policy (2021-22) because of not receiving the invoice from the G.I.D.C.

**XI Lease rent on sub lease & Service Charges**

The rates of fees and service charges for the year 2022-23 to be recovered from allottees of Dahej SEZ, had been decided by the SEZ Development Committee in the 38th Meeting held on 03.02.2023. Accordingly, the company has raised invoices on the units/ allottees for the period 1st April 2022 to 31st March 2023.

**XII** The figures are rounded off to the nearest rupees in Millions and previous year figures have been regrouped / rearranged / re-classified wherever necessary so as to make them comparable with the current period's classification / groupings.

**XIII** The company has carried out the calculation prospectively of the Total Present Value of the Lease Rent payable by DSL to GIDC for remaining period of 85 years starting from F.Y. 2020-2021 which comes to ₹ 247621 (₹ 0.25 Millions) on considering the borrowing rate of 8.25% which has to be stated as the Right to Use Asset and Lease Liability. The effect of adoption of IND AS 116 is as follows:

**RIGHT OF USE ASSET**

Particulars	[₹ in Millions]
Closing Balance on 31-03-2021	Amount
	<b>4,630.4767</b>
Less : Depreciation for the year ended 31-03-2022	54.8527
<b>Closing Balance on 31-03-2022</b>	<b>4,575.6240</b>
Less: Adjustment during the period	0.0143
Add: Depreciation for Adjustment during the period	0.0045
Less : Depreciation for the quarter ended 31-03-2023	54.8498
<b>Closing Balance on 31-03-2023</b>	<b>4,520.7645</b>

**LEASE LIABILITY**

Particulars	[₹ in Millions]
Closing Balance on 31-03-2021	Amount
	<b>0.2476</b>
Less : Annual Lease Rent for the year 2021-22	0.0205
Add : Finance Cost @ 8.25 % on opening balance of Lease Liability Account	0.0204
<b>Closing Balance on 31-03-2022</b>	<b>0.2476</b>
Less : Adjustment during the period	0.0072
Less : Annual Lease Rent for the year 2022-23	0.0199
Add : Finance Cost @ 8.25 % on opening balance of Lease Liability Account	0.0198
<b>Closing Balance on 31-03-2023</b>	<b>0.2403</b>





**DAHEJ SEZ LIMITED**  
**Notes to the Financial Statements**

**XIV** The Company has paid Rs. 5000 million for new SEZ. Some part of the land for new SEZ has been registered in the name of the Company by registering the same in form 7\*12, however same has not been capitalised in books of accounts due to pending issues with GIDC. The same has been capitalised in books after resolving pending issues with GIDC.

**XV Earnings per Share [EPS]**

Basic and diluted earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The Earnings considered in ascertaining the Company's EPS represent Profit for the Year after Tax. Basic EPS is computed and disclosed using the Weighted Average Number of Equity Shares outstanding during the Year.

**Calculation of EPS:**

Particulars	[₹ in Millions]	
	2022-23	2021-22
Profit After Tax (₹ In Millions)	349.36	469.82
Weighted Average Number of Shares Outstanding	4,60,50,000	4,60,50,000
Basic EPS, Shares of Face Value of ₹ 10/- each (in ₹)	7.59	10.20
Diluted EPS, Shares of Face Value of ₹ 10/- each (in ₹)	7.59	10.20

**XVI Other Statutory Information**

- A** The company does not hold any benami property as defined under Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder. No proceeding has been initiated or pending against the company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- B** The company has not entered into any transaction with Struck off companies under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956. Further, there is no balance outstanding with struckoff companies.
- C** The company does not have any charges or satisfaction, which is yet to be registered with ROC beyond the statutory period.
- D** The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- E** The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (Such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- F** The company is in compliance with number of layers prescribed under clause (87) of section 2 of Companies Act read with the companies (Restriction on number of layers) Rules, 2017.
- G** As on March 31, 2023 there is no unutilised amounts in respect of any long term borrowings from banks and financial institutions. The borrowed funds have been utilised for the specific purpose for which the funds were raised.





**DAHEJ SEZ LIMITED**  
**Notes to the Financial Statements**

**XVII Related Party Transactions**

As per Ind AS – 24 on "Related Party Disclosures", disclosures of transactions with the related parties are given below :

List of Related Parties:

Enterprise under Significant Influence of Key Management Personnel	Key Management Personnel and their Relatives ["KMP"]	Associates
NIL	Piyush K Mankad (Chief Executive Officer) [resigned w.e.f. 31/05/2022]	Gujarat Industrial Development Corporation (GIDC)
	J. B. Patel (Chief Executive Officer) [Appointed w.e.f. 01/06/2022]	Oil and Natural Gas Corporation Ltd (ONGC)
	Pranav S. Patel (Chief Financial Officer) [resigned w.e.f. 25/08/2023]	ONGC Petro Additions Ltd (OPAL)
	Shashank Dhamseiya (Company Secretary)	

Dahej SEZ Ltd is a Joint Venture of GIDC and ONGC. The Shareholding of GIDC and ONGC in the company is 50 % each.

OPAL is subsidiary company of ONGC having Common Directorship and therefore treated as a Related Party.

The company has following transactions with the Related parties during the quarter ended on 31-03-2023:

[₹ In Millions]

Nature of Transactions	KMP & their Relatives (Rs. In Millions)		Associates					
			GIDC (Rs. In Millions)		ONGC (Rs. In Millions)		OPAL (Rs. In Millions)	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
<b>Loans &amp; Advances</b>								
Given during the year	-	-	-	0.18	-	-	-	-
Settled during the year	-	-	-	-	-	-	-	-
Closing Balance	-	-	5,000.92	5,000.92	-	-	-	-
<b>Sundry Creditors</b>								
Addition during the year	-	-	12.47	13.43	-	0.20	-	-
Settled during the year	-	-	12.47	28.73	0.20	-	-	-
Closing Balance	-	-	22.17	22.17	-	0.20	-	-
<b>Sundry Debtors</b>								
Addition during the year	-	-	2.25	0.85	19.88	16.96	178.08	233.38
Settled during the year	-	-	-	0.02	19.66	17.18	178.08	245.34
Closing Balance	-	-	4.29	2.04	-	-0.22	0.04	0.04
<b>Deposit</b>								
Accepted during year	-	-	0.95	-	-	-	14.67	0.20
Settled during year	-	-	-	-	-	-	-	0.20
Closing balance	-	-	6.61	5.66	-	-	16.60	1.93
<b>Expenses</b>								
Salaries, etc to Directors & Related Parties (KM)	1.92	4.01	-	-	-	-	-	-
NAA and Lease rent charges-Expense	-	-	12.45	12.65	-	-	-	-
Interest payable-Expense	-	-	60.97	55.24	-	-	-	-
Upfront Lease charge to GIDC apportioned	-	-	54.85	54.85	-	-	-	-
Infrastructure Expense-Expense	-	-	-	0.58	-	-	-	-
Water Charges - Expense	-	-	0.90	0.71	-	-	-	-
<b>Income</b>								
ROU / Rent Income	-	-	1.68	0.95	0.44	0.22	5.86	2.39
Application Fees for ROU Income	-	-	-	-	-	-	-	0.05
Lease Rent and Service Charges-Income	-	-	-	-	19.44	16.74	172.22	148.37
Upfront Lease Income apportioned	-	-	-	-	9.97	9.97	97.51	97.51





**DAHEJ SEZ LIMITED**  
**Notes to the Financial Statements**

**XVIII Analytical Ratios**

Sr No	Type	Numerator	Denominator	Current Year	Previous year	% of Change in ratio	Remarks
1	Current Ratio (In times)	Total current assets	Total current liabilities	0.78	0.96	(18.68)	
2	Debt - Equity Ratio (In times)	Debt consists of borrowings and lease liabilities.	Total equity	0.63	0.95	(33.76)	Due to reduction in Long term borrowings
3	Debt - Service Coverage Ratio (In times)	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	6.07	6.07	-	Due to increase in EBIT
4	Interest Coverage (In times)	Profit for the year = Profit before tax, Extra Ordinary item, Depr. & Finance Cost	Finance Cost	10.68	14.31	(25.37)	
5	Return on Equity Ratio (In %)	Profit for the year less Preference dividend (if any)	Average total equity	0.12	0.22	(44.90)	
6	Inventory to Turnover Ratio (In times)	Cost of Material produced	Average Inventory	NA	NA	NA	
7	Trade Receivable to Turover Ratio (In times)	Revenue from operations	Average trade receivables	14.78	12.69	16.52	
8	Trade Payable to Turover Ratio (In times)	Cost of Raw Material & FG Purchased	Average trade payables	NA	NA	NA	
9	Net capital turnover ratio (In times)	Revenue from operations	Average working capital (i.e Total current assets less Total current liabilities)	-2.61	-11.24	(76.78)	
10	Operating Profit Margin (In %)	Profit for the year = Profit before tax, Extra Ordinary item & Finance Cost	Revenue from operations	0.81	0.81	-	
11	Net Profit Ratio (In %)	Profit for the year	Revenue from operations	0.71	0.71	-	Due to increase in other Income
12	Return on Capital Employed (In %)	Profit for the year = Profit before tax, Extra Ordinary item & Finance Cost	Capital employed = Net worth + Long Term Borrowings	0.16	0.04	282.57	Due to reduction in Long term borrowings
13	Return on Investments (In %)	Income generated from invested funds	Average invested funds	0.05	0.05	-	

As per our report of even date

For, **Mukesh M. Shah & Co.**  
Chartered Accountants  
ICAI Firm Reg. No. 106625W

*C.S. Shah*

**CA. Suvrat S. Shah**  
Partner  
Membership No. 102651  
Place : Ahmedabad  
Date : 10-Jan-2024



For and on Behalf of the  
Board of Directors

*[Signature]*  
Name: **Chhinder Singh**  
Designation : Director  
DIN: 09708331  
Dahej SEZ Limited

*[Signature]*  
**D. Shashank**  
Company Secretary  
Dahej SEZ Limited  
Place : Gandhinagar  
Date : 10-Jan-2024

For and on Behalf of the  
Board of Directors

*[Signature]*  
Name: **R. D. Bhargava**  
Designation : Director  
DIN: 10236053  
Dahej SEZ Limited

*[Signature]*  
**C.E.O. J. B. Patel**  
Dahej SEZ Limited  
Place : Gandhinagar

