



SHIV-VANI OIL & GAS EXPLORATION SERVICES LIMITED

Registered Office : Tower 1, 5th Floor, NBCC Plaza,
Sector V, Pushp Vihar, Saket, New Delhi – 110017

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 22nd Annual General Meeting of the members of Shiv-Vani Oil & Gas Exploration Services Limited will be held on Monday, the 30th day of September, 2013 at 12.00 Noon at Khasra No 193, F-6, Pushpanjali Farms, Bijwassa, New Delhi – 110 061 for the transaction of the following business :-

ORDINARY BUSINESS:

- 1 To receive, consider and adopt the Audited Balance Sheet as at March 31, 2013, the Statement of Profit & Loss Account for the year ended on that date and the Reports of the Directors and the Auditors thereon.
- 2 To appoint a Director in place of Mr. Dwarka Das Daga, who retires by rotation and, being eligible, offer himself for re-appointment.
- 3 To re-appoint Auditors and to fix their remuneration. The retiring Auditors, M/s Vijay Prakash Gupta & Associates, Chartered Accountants, are eligible for re-appointment.

SPECIAL BUSINESS:

- 4 To consider and, if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:-

Mr. Prateep Kumar Lahiri, a Director due to retire by rotation at this Annual General Meeting, is not seeking re-election and accordingly, it is “RESOLVED THAT the vacancy thereby caused be not filled up at this meeting or at any adjournment thereof.”

5. To consider and, if thought fit, to pass, with or without modification, the following resolution as a Special Resolution:-

“RESOLVED THAT pursuant to Sections 198, 269, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956 (the Act) read with Schedule XIII of the said Act, including any statutory modification and re-enactment thereof for the time being in force and subject to such approvals of the Central Government, as may be required, the consent of the members of the Company be and is hereby accorded for the re-appointment of Mr. Prem Singhee as Chairman & Managing Director of the Company (not liable to retire by rotation) for a further period of five (5) years effective from 1st November, 2012 to 31st October, 2017, on the same remuneration and other terms & conditions as that of existing tenure as provided in the explanatory statement annexed with this notice.

RESOLVED FURTHER THAT above remuneration will be subject to the overall limits as provided under Section 198, 269, 309, 310, 311 and in terms of Section I of Part II of Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and in the event of loss or inadequacy of profits in any financial year during the currency of the tenure of Mr. Prem Singhee as Chairman & Managing Director of the Company, the above mentioned remuneration will be paid to him as minimum remuneration subject to the provisions of Schedule XIII to the Companies Act, 1956 or such other limits as may be prescribed by the Government from time to time in this regard.

By Order of the Board
Shiv-Vani Oil & Gas Exploration Services Ltd.

August 14, 2013
New Delhi

(Vimal Chadha)
Company Secretary

NOTES:

- 1 A member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. The instrument of proxy in order to be effective, must be deposited/ received at the Registered Office of the Company, duly completed and signed not less than 48 hours before the commencement of the AGM.
- 2 Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 relating to item 4 & 5 Special Business to be transacted at this AGM is annexed.

SHIV-VANI OIL & GAS EXPLORATION SERVICES LIMITED

- 3 The corporate members are requested to send to the Registered Office of the Company at Tower 1, 5th Floor, NBCC Plaza, Sector V, Pushp Vihar, Saket, New Delhi – 110 017, a duly certified copy of the Board resolution, pursuant to Section 187 of the Companies Act, 1956, authorizing their representative to attend and vote at the AGM.

The Register of members and Share Transfer Books of the Company will remain closed from Saturday the 28th day of September, 2013 to Monday, the 30th day of September, 2013 (both days inclusive). The names of the shareholders whose share transfer request received in order either at the Registered Office or at the office of Registrar and Share Transfer Agent of the Company i.e. Link Intime India Pvt Limited, at 44 Community Centre, 2nd Floor, Naraina Industrial Area, Phase- I, Near Pvr Naraina, New Delhi - 110 028 on or before 30th September, 2013, shall be included in the register of Members as on the date of the Annual General Meeting.

- 4 Members are requested to :
- i. Immediately notify any change of address to their depository participants (DPs) in respect of their holding in electronic form and to the Company in respect of their holding in physical form.
 - ii. Send their queries, if any, at least 15 days in advance of the meeting at the Company's Registered Office at Tower-1, 5th Floor, NBCC Plaza, Sector-V, Pushp Vihar, Saket, New Delhi-110017 so that the information can be made available at the meeting.
 - iii. Fill the attendance slip for attending the meeting and those who have shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
 - iv. Send shares for dematerialization to the Company's Registrar and Share Transfer Agents, if so far, are not held in dematerialised form, as the Company comes under compulsory demat as per directives issued by the SEBI.
- 5 Members who hold shares in the physical form and wish to make / change nomination in respect of their shareholding in the Company may submit to RTA in the prescribed Form 2B. The Form can be furnished by RTA on request.
- 6 All documents referred to in the notice are open for inspection at the registered office of the Company between 11.00 a.m. to 1.30 p.m. on any working day prior to the date of the meeting and also at the meeting.
- 7 Members holding shares in the physical form are requested to notify / send the following to the office of Registrar and Share Transfer Agent (RTA) to facilitate better servicing:-
- a. any change in their address / mandate / bank details.
 - b. particulars of their bank account, in case the same have not been furnished earlier, and
 - c. share certificates, held in multiple accounts in identical names or joint accounts in the same order of names, for consolidation of such shareholdings into a single account.
- 8 The shares of the Company are listed at the Bombay Stock Exchange Ltd. (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 and National Stock Exchange of India Ltd. (NSE), Exchange Plaza, Bandra Kurla Complex, Mumbai – 400 005.
- 9 The Scrip Code of Equity shares at BSE and NSE are as follows:
- Scrip Code at BSE : 522175
- Scrip Code at NSE : SHIV-VANI
- 10 Listing fee for the financial year 2012-13 have been paid to BSE & NSE.
- 11 Mr. Dwarka Das Daga Director of the Company is due to retire by rotation and being eligible offers himself for reappointment at the Annual General Meeting.

Information regarding the directors proposed to be appointed/re appointment:

Brief resume and other information with respect to the director seeking appointment / re appointment at the Annual General Meeting, as

required under Clause 49(IV) of the Listing Agreement with Stock Exchanges is given below:

Name	Mr. Dwarka Das Daga
Age	72 Years
Qualification	B. Com, LLB
Experience in specific functional area	Varied experience of cargo, shipping, Marketing and general administration.
Date of appointment on the Board of the Company	10 th July, 1990
Chairman/ Member of the Committee of the Board of Directors of the Company.	(i) Share Transfer Committee (ii) Committee for Routine Transactions (iii) Committee for Implementation of CDR Scheme
Name of the other companies in which Directorship held (as per Section 275 and 278 of the Companies Act, 1956).	(i) Daga Shipping Agents Pvt. Ltd. (ii) Quantum Vinimay Pvt. Ltd.
Name of Committees of other companies in which he holds Membership/ Chairmanship(s) (as per Clause 49 of the Listing Agreement with the Stock Exchanges).	Nil

:

By Order of the Board
Shiv-Vani Oil & Gas Exploration Services Ltd.

August 14, 2013
New Delhi

(Vimal Chadha)
Company Secretary

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956:

Item No 4

Pursuant to provisions of the Section 256 of the Companies Act, 1956, Mr. Prateep Kumar Lahiri, who was appointed as Independent Director of the Company on 30th March 1996 is liable to retire by rotation at the ensuing Annual General Meeting. However, Mr. Prateep Kumar Lahiri has expressed his intention not to be re-elected at the ensuing AGM and accordingly intimated the Company for not offering himself for re appointment.

The Company appreciates his contribution and support extended during his tenure as Director on the Board of the Company.

After vacating the Office of Director by Mr. Prateep Kumar Lahiri, the composition of the Board of Directors of the Company will continue to remain in compliance with the requirement of Clause 49 of Listing Agreement, as it will still have seven directors with an optimum mix of executive and non executive independent directors, it is therefore, for the time being, proposed not to fill the vacancy so arising.

Item No 5

The term of appointment of Mr Prem Singhee, Chairman & Managing Director has been completed on 31st October 2012 and he was re-appointed for another term of five years from 1st November, 2012 to 31st October 2017 by the Remuneration Committee and Board of Directors in their meetings held on 29th October 2012 subject to approval of the members of the Company in the ensuing Annual General Meeting to be held on 30th September, 2013. The re appointment of Mr. Prem Singhee was made on the same remuneration

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and other terms & conditions as that of the existing tenure, which are summarized herein in below:

Monthly Basic Salary:	Same as that of existing i.e Rs.25,00,000/- per month.
Commission :	1% of the net profit
Other benefits & Perquisites :	Furnished accommodation or house rent allowance in lieu thereof, maintenance of such accommodation, expenditure on gas, electricity, water and furnishing for the accommodation including maintenance and repairs thereof, personal allowance (which will include servant allowance), education allowance for children, utility allowance, leave travel concession for self and family (national & international), medical reimbursement and medical insurance for self and family, personal accident insurance for self and family, club fees, security at residence and such other perquisites and allowance in accordance with rules of the company or as may be agreed to by the Board of Directors, Contribution to provided fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961, Gratuity at rate not exceeding half a month's salary for each completed year of service, and Encashment of leave at the end of the tenure. In addition to the above he will also be entitle to Company maintained car(s) with drivers(s) and telephone(s) and Faxes at residence as per the policy / rules of the Company in force or as may be approved by the board of directors from time to time.
Effective from	From 1 st November, 2012 to 31 st October, 2017
Other Conditions:	Subject to superintendence, control and direction, Mr. Prem Singhee shall perform such duties and functions as would be commensurate with his position as Chairman & Managing Director of the Company and as may be delegated by the Board from time to time.
Termination:	The Company or Mr. Prem Singhee shall be entitled to terminate this appointment by giving six months notice in writing or in lieu of notice payment, by the Company or by him to the Company, equivalent of six months last drawn monthly basic salary.

Mr. Prem Singhee hold 9,47,220 Equity shares of the Company.

Mr. Prem Singhee aged about 55 Years holds a bachelors degree in commerce from Osmania University, Hyderabad. He has vast experience of 27 years of oil & gas industry and has been managing the affairs of the Company since incorporation. Mr. Singhee is actively involved in policy making & closely working with various government & nongovernmental groups in the oil & gas E&P sector.

The Directorship of Mr. Prem Singhee (other than Shiv-Vani Oil & Gas Exploration Services Ltd) is as follows:

- (i) Tiger System (India) P Ltd. - Director
- (ii) TNG Shiv Geo Services Ltd. - Director
- (iii) Shiv-Vani Infra Ltd. - Director
- (iv) Sparrow Electronics Ltd. - Director

He is not holding membership of any sub-committee of Board of Directors any company other than Shiv-Vani Oil & Gas Exploration Services Ltd.

As per the provisions of the Companies Act 1956 read with Schedule XIII the approval of the shareholders is required for re-appointment of Mr. Prem Singhee as Chairman & Managing Director of the Company.

None of the Directors except Mr. Prem Singhee, Mr. Padam Singhee and Mr. Dwarka Das Daga is in any way interested in the resolution.

Your Directors recommend the resolution for approval by the members of the Company.

By Order of the Board
Shiv-Vani Oil & Gas Exploration Services Ltd.

August 14, 2013
New Delhi

(Vimal Chadha)
Company Secretary



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Registered Office : Tower 1, 5th Floor, NBCC Plaza,
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PLEASE FILL THE ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE. Joint shareholders may obtain additional Attendance Slip on request.

ATTENDANCE SLIP

DPId *	
Client. Id. *	

Regd. Folio No.	
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NAME AND ADDRESS OF THE SHAREHOLDER

No. of share(s) held :

I hereby record my presence at the 22nd Annual General Meeting of the Company held on Monday, September 30, 2013 at 12:00 noon at Khasra No. 193, F-6, Pushpanjali Farms, Bijwassan, New Delhi – 110 061 .

Signature of the Shareholder or proxy holder

* Applicable for investors holding shares in electronic form.

.....TEAR HERE.....



SHIV-VANI OIL & GAS EXPLORATION SERVICES LIMITED

Registered Office : Tower 1, 5th Floor, NBCC Plaza,
Sector V, Pushp Vihar, Saket, New Delhi – 110017

PROXY SLIP

DPId *	
Client. Id. *	

Regd. Folio No.	
-----------------	--

I/We.....of
..... being a member/members of Shiv-Vani Oil & Gas Exploration Services Ltd.
hereby appoint.....of.....or failing him
.....ofas
my/our proxy to vote for me/us and on my/our behalf at the 22nd Annual General Meeting to be held on Monday, September 30, 2013 at 12.00 Noon or at any adjournment thereof.

Signed day of 2013.

* Applicable for investors holding shares in electronic form.



Note :-

1. The Proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting.
2. No gift etc. will be distributed at the A. G. M.



**Annual Report
2012-13**

Shiv-Vani Oil & Gas Exploration Services Limited

Zeal To Explore, Drive To Excel

Corporate Information

Board of Directors Prem Singhee, Chairman & Managing Director
Prateep Kumar Lahiri
Om Prakash Garg
Capt. Hiteshi Chander Malik
Dwarka Das Daga
Rajnish Gupta
Sachikanta Mishra, Nominee- IFCI Limited
Padam Singhee, Joint Managing Director

Chief Financial Officer Rajan Gupta

Company Secretary & Compliance Officer Vimal Chadha

Auditors Vijay Prakash Gupta & Associates
Chartered Accountants

Bankers & Financial Institutions State Bank of India
ICICI Bank Limited
Punjab National Bank
Life Insurance Corporation of India
State Bank of Hyderabad
State Bank of Travancore
Yes Bank Limited
Bank of India
Central Bank of India
Indusind Bank Ltd.
IFCI Limited
L&T Infrastructure Finance Company Limited
L&T Finance Limited
Exim Bank
Union Bank of India
State Bank of Patiala
Corporation Bank
United Bank of India
UCO Bank
Andhra Bank
Indian Overseas Bank
Oriental Bank of Commerce
Standard Chartered Bank
DBS Bank Limited
Bank of Maharashtra
Tata Capital Financial Services Limited

Registrar & Share Transfer Agent Link Intime India Private Limited
44, Community Centre, 2nd Floor
Naraina Industrial Area, Phase-I
Near PVR Naraina
New Delhi - 110 028
Ph. Nos. - 011-41410592 - 93 - 94
Fax No. - 011 - 41410591
Email Id - delhi@linkintime.co.in

REGISTERED OFFICE Tower No 1, 5th Floor,
NBCC Plaza, Sector-V,
Pushp Vihar, Saket,
New Delhi - 110 017
Ph. No. - 011-29564592
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DIRECTORS' REPORT

Dear Members,

Your directors present the 22nd Annual Report together with audited accounts of your Company for the year ended 31st March, 2013.

Consolidated Financial Highlights:

	(₹ in Millions)	
Particulars	2012-13	2011-12
Operating Income	12,395.08	14,840.32
Other Income	127.98	322.53
Total Income	12,523.06	15,162.85
Profit before Interest, Depreciation and Taxation	5,715.92	7,211.56
Finance Cost	3,221.18	3,066.20
Depreciation	1,843.15	1,670.46
Profit Before Taxation	651.59	2,474.89
Add: Prior Period Adjustments	-	0.08
Add: Minority Share in Loss	0.01	0.01
Profit for the Year	651.60	2,474.98
Provision for Tax:		
-Income Tax Relating To Earlier years	0.06	0.46
-Income Tax	189.87	236.52
-Deferred Tax	38.56	338.65
-Mat Credit - Utilized / (availed)	198.86	(193.61)
Net Profit after tax	224.25	2,092.97
Add : Surplus as per Last Balance Sheet	7,515.64	8,026.55
Surplus available for appropriation	7,739.89	10,119.52
Appropriation:		
Transferred to General Reserve	40.00	50.00
Transferred to Debenture Redemption Reserve	-	2,500.00
Proposed Dividend on Equity Shares	-	46.36
Dividend Distribution Tax on Proposed Dividend	-	7.52
Surplus carried forward to the next year	7,699.89	7,515.64

The consolidated operating income for the financial year 2012-13 has decreased by 16.48% at ₹ 12,395 millions against ₹ 14,840 millions in the previous year. Due to increase in the finance cost and depreciation & amortization during the year, the profit after tax has also declined by 89.30% from ₹ 2,093 millions in 2011-12 to ₹ 224 millions in 2012-13. EBITDA margin in percentage terms have also declined by about 2.5% to 46.11% during 2012-13 from 48.59% during 2011-12.

The consolidated net worth of the Company has decreased from ₹ 15,233 millions to ₹ 14,676 millions while stand alone net worth has grown by ₹ 344 millions and reached at ₹ 10,190 millions as on 31st March, 2013.

Dividend

Your Company is regular dividend paying company since last four years. However, considering the financials of the Company for the year 2012-13, the Board of Directors do not find it prudent to recommend any dividend for the FY 2012-13.

Review of Operations

During the year the company has expended its drilling arena from 'onshore' to 'offshore' Drilling by obtaining a contract from Gulf of Suez Petroleum Company (GUPCO) for deployment of an offshore jack up drilling rig in Gulf of Suez, Egypt for an initial period of two years. GUPCO is a 50:50 joint venture company between British Petroleum ("BP") and The Egyptian General Petroleum Company ("EGPC"). This contract is being executed in our 100% subsidiary Company viz. Shiv-Vani Singapore Pte Limited. To execute the maiden offshore contract, we have already acquired and deployed the Offshore Jack up

SHIV-VANI OIL & GAS EXPLORATION SERVICES LIMITED

Drilling Rig. After the initial teething problems, the rig is in operation. Commercial production is expected to start shortly.

The operations of the company during the year under review got effected as

- (a) few major drilling rigs got de-hired collectively on completion of initial contract. Some of the rigs have been rehired and are expected to commence operations shortly but some of the rigs are still waiting to be deployed as ONGC tender for five drilling rigs is still in process. The de-hiring of a rig from one contract and redeployment at new contract takes about 6-8 months time and thus has impacted the revenue stream for the period.
- (b) Coal Bed Methane (CBM) contract awarded by ONGC has been called off by ONGC prematurely during the year.

Main Business Activities:

The main product suits of the company include E&P Services ranging from providing seismic services, Oil & gas well drilling, extraction of methane gas from coal bed and promoting integrated well services.

Seismic Services

The Company provides services for collection of data and its interpretation both in two dimensional and three dimensional fields. In Seismic services data is collected by causing an explosion in the area beneath shot hole and then capturing resonance by geo phones and telemetry system. This data helps in identifying the points for well drilling.

During the year, the Company has successfully completed the 3D Seismic Data Acquisition in Gujarat, Assam and in K G basins.

During Current year, one contract for providing Seismic Data Acquisition services was awarded by NGRI – National Geographical Research Institute, Maharashtra in Varuna region.

Further, the Company is also participating in the contracts of Seismic Data Acquisition of Oil India Ltd., GAIL (India) Ltd. and ONGC in Government sector and in the contracts of Cairn India Ltd. and Vasundra Resources Ltd., Gujarat in private sector.

Drilling Services

Integrated drilling contract of eight rigs awarded by ONGC in the area of Assam, Gujarat, Andhra Pradesh is almost complete.

The Company has successfully completed Drilling Contract of two rigs of Oil India Ltd. at Duliajan and this contract has been renewed for a further period of 2 years.

The Company has successfully completed contract for ONGC for Three Deep Drilling Rigs at Itarsi, M. P. and Ankleshwar, Gujarat awarded by ONGC Ltd.

During the Current year, the Company has started the following contracts :-

- (a) Charter hiring of 2 drilling rigs of 2000 HP at Dhuliajan, Assam – awarded by Oil India Ltd.
- (b) Charter hiring of 2 drilling rigs of 2000 HP at Karikal, Tamilnadu.
- (c) Charter hiring of 1 drilling rig 1500 HP at Ahmedabad awarded by IOCL.
- (d) Charter hiring of 1 drilling rig of 1000 HP at Ahmedabad awarded by ONGC.

Two Deep Drilling Rigs have been sent to Iraq for operations in Iraq which are expected to start operations in about 2-3 months time.

CBM Operations

The contract for Coal Bed Methane development and exploration and exploitation was permanently called off by ONGC as it could not acquire the land for that project.

EPC Project

A contract for setting up gas gathering station (GGS) and laying pipelines at Sonamura in Agartala was awarded by ONGC in FY 2011-12, which is under operation.

The Company is executing work on one contract for providing coal handling facilities on the contract awarded by Mahanadi Coalfields Limited (MCL), a subsidiary of Coal India Limited for Ananta siding V&VI, Jagannath area of Telcher Coalfields

near Telcher, Odisha.

Fixed Deposits

During the period under review, your Company has not accepted any fixed deposit under Section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposits) Rules, 1975 and as such no amount of principal or interest was outstanding on 31st March, 2013.

Change in Capital Structure

During the year under review there was no change in the capital structure of the Company.

Listing

The equity shares continue to be listed on the Bombay Stock Exchange Ltd. (BSE) and The National Stock Exchange of India Ltd. (NSE). The annual listing fee for the next financial year 2012-13 has been paid to both the Stock Exchanges. The FCCBs are listed with Singapore Exchange.

Directors

During the year, there was no change in the composition of the board of directors of the company.

In accordance with the provisions of Section 255 and Section 256 of the Companies Act, 1956 and Articles of Association of the Company, Mr Dwarka Das Daga, Director of the Company, who retires by rotation, at the ensuing Annual General Meeting, and being eligible, offer himself for re-appointment. A notice under Section 257 of the Companies Act, 1956, has been received from a member of the Company for the re-appointment of Mr. Dwarka Das Daga, who has filed his consent to act as Director of the Company, if appointed. The Board recommends his re-appointment.

Mr. Prateep Kumar Lahiri, who was appointed as Independent Director on the Board of the Company on 30th March 1996, is also liable to retire by rotation at the ensuing Annual General Meeting. However, Mr. Prateep Kumar Lahiri has expressed his intention not to be re-elected at the ensuing AGM and accordingly informed the Company his intention and is not offering himself for re-appointment.

The Board places its appreciation on record for the contribution and support extended by Mr. Prateep Kumar Lahiri during his tenure as Director on the Board of the Company.

After vacating the office of Director by Mr. Prateep Kumar Lahiri, the composition of the Board of Directors of the Company will continue to remain in compliance with the requirements of Clause 49 of the Listing Agreement and therefore, the Board of Director, at this moment, has decided not to fill the vacancy so arising.

Mr. Prem Singhee Chairman & Managing Director of the Company was reappointed by the Board of Directors of the Company in their meeting held on 29th October, 2012 for a period of five years w.e.f. 1st November, 2012 to 31st October, 2017, subject to approval of the members of the Company in the ensuing Annual General Meeting. The Board recommends the confirmation of the reappointment of Mr. Prem Singhee, Chairman & Managing Director.

Brief resume of the Directors proposed to be re-appointed, nature of their expertise in specific functional areas and names of the companies in which they hold directorship and membership/ Chairmanship of Committees of the Board, as stipulated under Clause 49 of the Listing Agreement are provided in the Notice for ensuing Annual General Meeting.

Corporate Debt Restructure (CDR)

As the members are aware that the company did expansion in the year of 2008-2010 mainly through debts, which were repayable in a short term period of 3-5 years, while the equipments acquired out of these debts have a working life of about 25 to 30 years. These short term loans thus created a mismatch in the cash flows of the Company. Therefore, with a view to have a detailed analysis on the financing model of the Company, we appointed SBI Capital Markets Ltd to suggest the various options available to the company at this juncture. SBI Capital Markets Limited, to improve the cash flows, suggested for the re-structuring of the term loans of the company. Therefore, with the consents of almost all of our lenders we opted for re structuring of our debts through Corporate Debt Restructuring (CDR) Scheme of RBI, and accordingly filed our CDR proposal with CDR –EG, who have admitted our proposal in their meeting held on 25th July, 2013 for finalization of CDR package, which is in progress as of now.

FCCB Matter

SHIV-VANI OIL & GAS EXPLORATION SERVICES LIMITED

Your Company had issued Foreign Currency Convertible Bonds of USD 80 Millions with 5% coupon which will mature in August 2015. The company is regular in making payments of the coupon to bond holders since its issuance except for the coupon due on 16th July, 2013 due to tight liquidity of the company. The trustee of the FCCB, with a view to accelerate the payments has issued a notice to the Company for the payment of the whole amount of the FCCB, failing which they may take legal actions to recover the dues. We have confirmed the FCCB trustee that company is willing to pay coupon provided they withdraw their aforesaid notice, their reply is awaited as on date.

Corporate Social Responsibility

Your Company believes that Corporate Social Responsibility (CSR) delivered in the context of its business makes it more effective, impactful, sociable and sustainable. Your Company's overarching aspirations to create meaningful societal value is manifest in your company's strategy to enhance the competitiveness of value chains of which it is a part. We believe in a corporate strategy that enables realization of the twin goals of stakeholder's value enhancement and societal value creation in a mutually reinforcing and synergistic manner.

In the process, we implement CSR programmes primarily in the economic vicinity of your Company's operations with a view to ensuring the long term sustainability of such interventions. The following initiatives have been taken up at our working sites under - We take up the responsibility of educating our young and old people from the nearby villages along with our crewmembers. We educate them the importance of Yoga and Meditation in building up a strong and healthy village population. We have taken this initiative to regenerate a strong and resurgence village with a meaningful social outlook.

- The Company has formed a Committee of officials to strengthen the CSR schemes and external monitoring. Awareness drive of all Government schemes like RTI, Adhar Card, Unique Identity, Food Security Bill etc are being carried out by this team in remote areas
- With the help of local health agencies/ Red Cross, we also organizes blood donation camps at certain intervals, so as our crew and local people could be encouraged to donate the blood for the needy persons.
- All of us understand the importance and need of plantation in our would, therefore, we do plantation in large scale and also encourage the villagers to go for it. We provide saplings of those plants which could be useful in particular areas. We initiated this to educate people for maintaining for ecological balance by planting trees wherever it is mercilessly destroyed.

Audit and Systems

Your Company believes that internal control is a necessary concomitant of the principles of governance that freedom of management should be exercised within a framework of appropriate checks and balances. Your Company remains committed to ensuring an effective internal control environment that provides on the efficiency of operations and security of assets.

Be believe that well established internal audit processes, both at business and corporate levels, monitor the adequacy and effectiveness of the internal control environment across the Company and status of compliance with operating systems, internal policies and regulatory requirements.

The Internal Audit function consisting of professionally qualified accountants, engineers and IT specialists reviews the quality of planning and execution of all ongoing projects involving significant expenditure to ensure that project management controls are adequate to yield value for money.

The Audit Committee of your Board met five times during the year. It reviewed, inter alia, the adequacy and effectiveness of the internal control environment and monitored implementation of the internal audit recommendations including those relating to strengthening of your Company's risk management policies and systems. It also engaged in overseeing the financial disclosures.

Directors' Responsibility Statement

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956, your Directors confirm having:

- followed in the preparation of the annual accounts for the financial year 2012-13, the applicable accounting standards with proper explanation relating material departures, if any.
- 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 of the Company for that year;

- (iii) taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company, and for preventing and detecting fraud and other irregularities; and
- (iv) prepared the annual accounts on a going concern basis.

CEO/CFO Certification

Pursuant to the requirement of clause 49 of the Listing Agreement CEO and CFO certification is attached with Annual Report. CEO and CFO also submit their certificates while placing the financial results before the Board.

Code of conduct for Directors and senior management personnel

The code of conducts has been placed on the web site of the Company. All the directors and senior management personnel have affirmed the compliances with these codes during the financial year 2012-13.

Auditors and their Report

Your Company's auditors, M/s Vijay Prakash Gupta & Associates, Chartered Accountants, and Statutory Auditors of the Company will retire at the conclusion of the ensuing Annual General Meeting and are eligible for reappointment.

The Company has received from M/s Vijay Prakash Gupta & Associates, Chartered Accountants the consent letter for appointment as Statutory Auditors of the Company for the financial year 2012-13, declaration under Section 224(1B) of the Companies Act, 1956 and Peer Review Certificate issued by the Institute of Chartered Accountants of India. They have further declared that they are not disqualified for such appointment/ re-appointment within the meaning of Section 226 of the Companies Act, 1956.

The Audit Committee and the Board of Directors recommended appointment of M/s Vijay Prakash Gupta & Associates, Chartered Accountants as the Statutory Auditors of the Company for the financial year 2012-13 for shareholders approval.

The observations made in the Auditors' Report are self explanatory and does not call for any further clarifications under Section 217(3) of the Companies act, 1956.

Consolidated Financial Statements

In accordance with Accounting Standard 21 – Consolidated Financial Statements form part of this Report and Accounts. These Group Accounts also incorporate the Accounting Standard 23 – Accounting for Investments in Associates in Consolidated Financial Statements and Accounting Standards 27 – Financial Reporting of Interests in Joint Ventures as notified under the Companies (Accounting Standards) Rules, 2006. These group accounts have been prepared on the basis of audited financial statements received from subsidiary companies as approved by their respective Boards. In line with the general exemption granted by the Ministry of Corporate Affairs vide Circular No 2/2011 dated 8th February, 2011, the report and accounts of the subsidiary companies are not required to be attached to the company's accounts. Any shareholder of the Company, who wishes to obtain the report and account of subsidiaries, may send a request in writing to the Company Secretary at the registered office of the Company.

The Annual Accounts of the subsidiary companies are kept open for inspection by any shareholders at the registered office of the Company and of the concerned subsidiary company.

In compliance with the terms of the exemption, summary of financial information for each subsidiary which includes Capital, Reserves, Total Assets, Total Liabilities, Details of Investment, Turnover, Profit before taxation, Provision for taxation, Profit after taxation and proposed dividend has been attached with this annual report.

Corporate Governance

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, a detailed report on the Corporate Governance system and practices of the company is given in a separate section in this annual report. Additional information for the shareholders is given in Additional Shareholders' Information section.

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The requisite Certificate of the Auditors, M/s Vijay Prakash Gupta & Associates confirming compliance of conditions of corporate governance as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges is annexed.

Management Discussion and Analysis

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, Management Discussion and Analysis Report is presented separately forming part of this report.

Particulars as per Section 217 of the Companies Act, 1956.

The information relating to the Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo required under Section 217(1)(e) of the Companies Act, 1956, is set out in a separate statement attached to this Report and forms part of it.

In accordance with the provisions of Section 217(2A) read with the Companies (Particulars of Employees) Rules, 1975, the names and other particulars of employees are provided in Annexure-2 attached with this report.

Investor Relations

Investor Relations have been cordial during the year. As a part of compliance, the Company has an Investor Grievance Committee to redress the issues relating to investors. The details of the Committee are provided in the Corporate Governance Report forming part of the Annual Report.

Acknowledgement

Your Directors take this opportunity to express their sincere appreciation for the excellent support and cooperation extended by the stakeholders, customers, suppliers, bankers and other business associates including financial institutions, banks, Central & State Government authorities during the year under review.

Your Directors place on record their deep appreciation for the exemplary contribution made by employees at all levels. Their dedicated efforts and enthusiasm have been pivotal to your Company's growth.

For and on behalf of the Board
Shiv-Vani Oil & Gas Exploration Services Limited

New Delhi
August 14, 2013

(Prem Singhee)
Chairman & Managing Director

ANNEXURE – 1

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

The particulars required under, Sec. 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are appended hereto and forms part of the report:-

(A) CONSERVATION OF ENERGY

- (a) Energy conservation is ongoing process and there is a continuous programme to create awareness at various sites and motivate the employees to conserve energy. The various measures taken by the Company are as under:-
1. Engines and motors have been replaced with efficient ones for the economic running.
 2. Rigs are maintained properly to keep the fuel consumption minimal and efficient operations.
 3. Energy consumption is controlled by locating the working crew closer to work spot by optimizing allocation of people on sites.

(B) TECHNOLOGY ABSORPTION

(a) RESEARCH & DEVELOPMENT

(i) Specific areas in which R & D carried out by the Company :

(a) Seismic Data Acquisition improvement

The Company owns eight Seismograph with its accessories, Air Gun Shooting, Survey Equipment for data acquisition, on field processing and these all equipment with its accessories are being maintained by experienced & qualified key personnel viz Geoscientists, Electronic Engineers, Surveys, Software Designers etc. The Company is providing in house as well overseas training to our Geophysicists, Electronics Engineers, MESA designer, Surveyor etc. To do more research and development on upcoming technology in the field.

(b) Short hole drilling machinery performance improvement

The Company owns a huge quantity of Jacro Rigs with accessories such as Mud Pumps etc for SHD. The impeller of pumps is made cast iron, leading to erosion of the blades very soon.

(c) Drill bit modification

The drill bits used for drilling has three blades, which is good for drilling in rocks. But most of the present operational area consists of semi hard soils thus clogs the drill bits and hence effectiveness of those bits with 3 blades reduces.

(ii) Benefits derived as a result of R & D

- (a) Our team of engineers and technicians developed SS impellers in our work shop which resulted in improvement of life of those impellers by 4 times
- (b) Our team of engineers with experiments found that drill bits with 2 blades are suitable for these types of soils and modified the three blade bits to two blade bits. The drilling time has been reduced by half.

(iii) Future Plan and Action

1. Presently in the hilly area lot of difficulties are faced to provide water for drilling, research is being carried out to overcome the problem.
2. The sleeves of mud pumps are getting damaged very frequently, efforts are made to use different material for manufacture of sleeves to arrest the down time due to damage of sleeves.

(iv) Expenditure as R & D

Capital	:	Nil
Recurring	:	Nil
R & D Expenses	:	Nil
% of total turnover	:	Nil

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(b) TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION

(i) Efforts made towards technology, adaption & innovation

(a) Tractor mounted drilling rigs

The man portable Jacro rigs are quite heavy and requires around 10 persons to carry those and the prime movers being petrol engines the operational cost is also very high. The team of our engineers with research developed a drilling rig which was installed on the tractor and draws power from PTO of tractor.

(b) Mud Pumps have been modified to lift water to greater heights for drilling at high altitude.

(ii) Benefits derived as a result of the above efforts e.g. productivity improvement, cost reduction, product development, import substitution etc.

(a) Benefits derived as a result of above efforts: This development has reduced the operational cost by half and one rig drills 10 holes a day.

(iii) In case of imported technology following information may be furnished: -

(a) Technology imported	SERCEL-428, and Aram System Seismograph with all accessories for channels, Global positioning System Seismic Data Processing System, Seismic Field Designing System.
(b) Year of Import	2008-09
(c) Has technology been fully absorbed	Yes
(d) If not fully absorbed, areas where this has not taken place & reason& future plans of actions	N.A

(C) FOREIGN EXCHANGE EARNING & OUTGO

S. No.	March 2013(₹)	March 2012(₹)
I Earnings in foreign currency		
Contract Revenue (Gross)	512,684,097	364,968,441
Sale of goods	45,927,302	-
Interest on FDR	21,494	-
Total	558,632,893	364,968,441
II Expenditure in Foreign Currency		
Rig Rental Charges	897,378,471	1,768,002,257
Interest:		
- Capital nature	221,358,425	200,661,194
- Others	158,780,862	128,546,310
Professional Fees	1,377,688	1,345,839
Travelling Expenses	2,935,080	7,810,928
Repair & Maintenance	-	2,054,996
Annual Membership Fee & Subscription	-	332,379
Business Promotion Expenses	1,463,737	54,928
Listing Fee	-	1,030,963
Contract Expenses	70,195,409	412,404,562
Total	1,353,489,672	2,522,244,356

ANNEXURE 2

Statement of Particulars of Employees pursuant to Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employee) Rules, 1975

A. Employed for the full year and in receipt of remuneration more than ₹ 60 Lac per annum.

S. No.	Name of the Employee	Age	Designation	Gross Remuneration (In ₹)	Qualification	Experience (Years)	Date of Commencement of Employment	Last employment & designation
1.	Prem Kumar Singhee	55	Chairman & Managing Director	35,620,139	B.Com	27	Since Incorporation	Partner M/s Perfect Tubewel Corp.
2.	Padam Singhee	49	Joint Managing Director	28,604,497	B.Com	23	11-Jan-90	N/A
3.	Prakaash Kumar Chimanlal Singhee	48	President	15,385,416	Graduate	20	1-Jul-08	Infotat International (Huston-USA)

B. Employed for part of the year and in receipt of average remuneration above ₹ 5 Lac per month : Nil

Notes:

1. All appointments are contractual in nature. The terms and conditions of appointments are governed by Company's policy and rules.
2. Remuneration comprises salary, allowances, monetary value of perquisites of actual cost as per Income Tax Act, 1956 (wherever applicable), commission paid, if any, and company's contribution to the Provident fund.
3. Mr. Prakaash Kumar Chimanlal Singhee is relative of directors of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

Indian Economy

After a promising start to the decade in 2010-11 with achievements like GDP growth of 8.4%, bringing down fiscal deficit to 4.7% from 6.4% of GDP in 2009-10 as well as containing current account deficit to 2.6% from 2.8% in 2009-10, the Indian Economy slowed down considerably during last year as well as this year with Real GDP growth estimated at about 5% for 2012-13, a 10 year low. The slowdown in the pace of growth is largely attributable to weakness in industry which grew by only 3.1% during the year. The Manufacturing sector, which accounts for 55% of industry, recorded a dismal 1.0% growth during the year. Growth in the Agriculture sector has also been weak partly due to the sub-normal rainfall in the initial phases of the south-west monsoon. The pace of growth in the services sector – the key driver of economic growth over the last few years – also decelerated to 6.6% well below the trend growth levels.

The key causes for this sharp downturn include the cumulative impact of persistently high and sticky inflation levels in the economy which led to the RBI adopting a tight monetary policy, lack of political consensus on policy reforms, a marked slowdown in the rate of capital formation and weak investor sentiments under the backdrop of a sluggish global economy.

India's 'twin deficit' challenge also came under the spotlight during the year. The Current Account Deficit widened to an all time high at 5.4% of GDP during the first nine months of 2012-13 Vs. 4.1% during the same period last year, mainly contributed by high oil prices, subdued merchandise exports. On the other hand, the Fiscal Deficit, which seemed like heading towards 6% of GDP in the middle of the year, was reined in by the Government to 5.2% of GDP (Budget 2013 estimates) through aggressive compression in expenditure.

Several policy measures were announced by the Government during the year. Some of the key interventions include the setting up of the Cabinet Committee on Investments to ensure expeditious clearance and implementation of big ticket infrastructure project, direct cash transfers of subsidies, Diesel and LPG subsidy restructuring. Some regulatory reforms – New Companies Bill, FDI in pension, land reforms have been passed. Handling WPI inflation levels (especially in non-food manufactured goods) have also softened in recent months fuelling expectations of further rate cuts by the RBI in the ensuing months. This, coupled with the policy interventions as stated above, augurs well for a pick up in growth in 2013-14.

As per RBI estimates, the Indian economy is expected to grow by 5.7% during 2013-14 representing only a modest improvement over the previous year. While agricultural growth is expected to return to trend levels due to normal monsoons, the outlook for industrial activity remains subdued given the slow pace of investments and structural bottlenecks such as shortage of power, coal, natural gas and disruptions in mining activity in some States. Growth in services and exports is also likely to be sub-par in the backdrop of a sluggish world economy. WPI inflation during the year is expected to be range bound around 5.5% on the expectation of higher agricultural output and benign commodity prices – a key positive. The Government's expenditure restructuring initiatives including capping of subsidies and improved revenue growth are expected to bring down the Fiscal Deficit to around 4.8% of GDP in 2013-14 as compared to 5.2% in 2012-13, representing twice the sustainable level.

Domestic consumption remains one of the key growth engines of the Indian economy. With a large and growing population, significant additions to the working age population over the medium to long term, rising disposable incomes including in rural areas and the Government's increasing spends on the social sector to foster inclusive growth – the structural drivers for rapid growth in consumption are in place.

An emerging economy like India needs a huge amount of financial resources to realize its growth potential. However, India's Tax-to-GDP ratio remains sub-optimal and well below the world average. It is a well established principle of fiscal policy that a moderate tax regime coupled with widening of the tax base leads to increase its tax revenues. While the tax net has been progressively expanded to include a wider range of services, service taxes constitute a mere 12.8% of Gross Tax Revenue

(2012-13) – disproportionately lower than the 60% share of GDP that the services sector constitute. The recent move to the ‘Negative List’ regime to widen the range of services under the ambit of Service Tax and the Government’s efforts to introduce tax reforms by implementing a uniform Goods & Services Tax and the Direct Tax Code at an early date, would facilitate achieving the requisite buoyancy in revenues to the exchequer.

With India accounting for over 17% of the world’s population but only 2.4% of global land mass, 4% of the world freshwater resources and 1% of global forest resources, the pressure of economic growth on the country’s natural capital will be enormous. For a country like India with millions living below the poverty line, and nearly 12 million people entering the job market every year, the focus both at the national and corporate level should be on fashioning strategies that foster sustainable equitable and inclusive growth. It would be imperative to align policies and regulations to encourage the conduct of business in a manner that result in achievement of a positive carbon footprint and supports the creation of sustainable livelihood and societal capital.

SOCIO ECONOMIC ENVIRONMENT

Growth in global economic output remained weak and below trend during 2012. According to the International Monetary Fund’s April 2013 report, global output is estimated to have grown by only 3.2% in 2012 – significantly lower than the 4% growth recorded in 2011. The Advanced Economies remained on a declining growth trajectory recording only a 1.2% growth in 2012 against 1.6% in 2011. Such weak performance is largely attributable to the Euro area which contracted by 0.6% during the year partially offset by a better showing by the US which grew by 2.2% against 1.8% in 2011 and Japan which got back to growth territory. The Emerging Markets & Developing Economies, as a group, saw a marked decline in growth rates – from 6.4% in 2011 to 5.1% in 2012 – with the major constituent countries viz. China, India, Brazil, Russia all recording significant deceleration.

Industry Scenario in India

The Indian Oil and Gas (O&G) sector is one of the six core industries of India and contributes over 15 per cent to the Gross Domestic Product (GDP). The country is the sixth largest consumer of oil in the world and the ninth largest crude oil importer.

The sector is of immense importance to the economy owing to its significant forward integration with many other sectors. India is committed to boosting its growth in the years to come and this progress would translate into the country’s energy needs growing many times. The need of the hour, therefore, is to channelise all efforts on exploration of new blocks effectively as well as efficiently.

The growing demand for crude oil and gas in the country coupled with policy initiatives of the Government of India towards increased E&P activity has given a great impetus to the growth of this sector.

Key Statistics

- Oil continued to remain the top item in India’s export basket during 2012-13. Crude oil as well as other petroleum products accounted for about one-fifth of India’s outbound shipments, giving the much-needed boost to the country’s exports. Petroleum product exports rose 7.7 per cent at US\$ 60.3 billion in 2012-13 from US\$ 56.04 billion in 2011-12.
- Indian refiners processed 6.8 per cent more oil in April 2013 than a year earlier at 3.62 million barrels per day (mbpd), according to recent Government data, reflecting expanded capacity.
- Natural gas output stood at 3 billion cubic metres (BCM) in April 2013.
- India’s refining capacity was enhanced by 400, 000 bpd in 2012. Another 400, 000 bpd of capacity could be added in 2013 if Indian Oil Corporation’s 300,000 bpd Paradip and Nagarjuna’s 120,000 bpd Cuddalore refineries are completed by the end of this year.

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Diesel, Petrol & Gas

Crude oil production, as indicated by the core sector index, accounts for over 5 per cent of India's index of industrial production (IIP).

Diesel consumption increased by 4.2 per cent year-on-year (y-o-y) in April 2013 to 6.2 million tonnes (MT), according to data compiled by the Petroleum Planning and Analysis Cell (PPAC).

The overall consumption of petroleum products increased 3.1 per cent y-o-y in April 2013..

Natural Gas has emerged as one of the most preferred fuel owing to its environment-friendly properties, greater efficiency and cost effectiveness.

India's shale gas reserves are at about 290 trillion cubic feet (TCF), of which 63 TCF could be recovered, according to a study by US Energy International Agency. Shale gas is natural gas formed from being trapped within shale formations.

OUTLOOK & OPPORTUNITY

Oil and gas is a major part of the energy sector, which, in turn, is essential for the growth of the manufacturing, utilities, infrastructure and commercial services industries.

The Indian oil and gas sector expects to attract investment of Rs 3.9 trillion (US\$ 75 billion) over 2012–17, during the 12th Five Year Plan, while ONGC and IOC, both upstream companies, are expected to spend Rs 1.75 trillion (US\$ 32.9 billion) and Rs 190 billion (US\$ 3.6 billion), respectively, primarily in exploration activities. It is therefore essential to analyse, and capitalise upon key opportunities that are put forth before the oil and gas sector to maximise output, and ensure sustainable development.

In the 12th Five Year Plan, the government is expected to focus majorly on E&P activities, including intensive exploration of existing hydrocarbon reserves and geographical focus on the east coast for exploring off shore oil fields. Further, the government will focus on harvesting unconventional fuels such as shale gas, CBM and bio diesel. The focus on R&D is expected to increase during the 12th Plan period, with major focus on fuel conservation/ efficiency improvement, reduction of carbon emissions and innovations to diversify the domestic product portfolio.

THREATS

Some key factors affecting the Indian oil and gas industry are the following:

- **Dominated by state controlled enterprises:** The sector is primarily dominated by state controlled enterprises, with only a few foreign players. The primary reason for this could be the country's regulatory framework, where ventures involving foreign players take longer to get the required approvals. Further, the participation of foreign players has been limited during the nine rounds of bidding for exploration rights through the NELP, while the participation of state owned players has been high.
- **Subsidies on Oil and Gas products:** Eliminating subsidies on oil and gas products is proving to be a major challenge for the government, due to political pressure. These subsidies have led to large scale under recoveries in the Indian oil and gas sector.
- **Environmental issues:** Offshore mining of oil and gas and deep water exploration poses significant threats to the environment in terms of potential threats of water contamination. Further particulate emissions of refineries and production plants could have an adverse impact on the environment as well.
- **Requirement of advanced technology for upstream segment:** The industry faces a shortage of skilled labour for the

mining of unconventional assets such as shale gas and Coal Bed Methane (CBM), which offer a huge potential in terms of ensuring sustainability.

The Government has proactively aimed to curb some of these challenges including subsidies on oil and gas, and technology requirements in the upstream segments through actionable reforms such as the Kirith Parikh Committee's recommendations, and by encouraging a higher level of private sector participation.

Conclusion

The oil and gas sector is fairly well developed in India, and is poised to contribute a large share to India's energy basket over the next 15–20 years. A conservative estimate of 7 per cent growth in the Indian economy is expected to approximately double India's per capita energy consumption over the next 20 years. Since energy demand and economic growth are almost interlinked, the Indian oil and gas sector, which provides the country with a significant portion of its energy requirements, has been identified as a key metric that will drive future GDP growth.

To cope up with the increasing demand, the government has allowed 100 per cent FD in the oil and gas sector, enabling some large partnerships such as the US\$ 7.2 billion deal between BP and Reliance Industries. In order to further aid the development of the sector, the government introduces legislations such as the NELP to enable companies to bid for exploration rights, and encourage private sector participation. The participation of the private sector is expected to bring in monetary resources and technological capabilities, especially in the field of deep sea exploration while simultaneously reducing the dominance of PSUs in the country's competitive landscape.

Cautionary Statement

Statement in this management discussion and analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Forward looking statements are identified in this report, by using the words 'anticipates', 'believes', 'expects', 'intends' and similar expressions in such statements. Although we believe our expectations are based on reasonable assumptions, these forward looking statements may be influenced by numerous risks and uncertainties that could cause actual outcomes and results to be materially different from those expressed or implied. Some of these risks and uncertainties have been discussed in the section on risks and concerns.

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REPORT ON CORPORATE GOVERNANCE

Company's Philosophy on Corporate Governance: Corporate Governance is a tool by which corporate are directed and controlled to enhance their wealth generating capacity. Corporate Governance structure, systems and processes are based on two core principles: -

- (a) Management must have the executive freedom to drive the enterprise forward without undue restraints, and
- (b) The freedom of management should be exercised within a framework of effective accountability.

Corporate Governance must create a mechanism of checks and balances to ensure that the decision making process vested in the executive management are used with care and responsibility to meet stakeholders aspirations and societal expectations.

Corporate Governance must reflect various qualities such as trusteeship, transparency, empowerment & accountability, control and ethical corporate citizenship.

1. BOARD OF DIRECTORS (BOARD)

(a) Composition

The composition of the Board comprises of optimum mix of executive and non-executive directors having in-depth knowledge and experience. As on March 31, 2013, the strength of Board of Directors of the Company is of eight directors. Out of these, two are executive directors, one is non-executive non independent and five are non-executive independent directors.

The composition of Board of directors of the company, detail of other directorships and committee positions as on 31st March 2013 are given herein below:

Name of the Director	Category of Directorship	Number of Directorships held in other Companies	Number of Committee positions held in other Companies		Number of Equity Shares held
			Chairmanship	Membership	
Mr. Prem Singhee	Chairman & Managing Director Executive and Promoter Director	4	-	-	947,220
Mr. Prateep Kumar Lahiri	Independent Non-Executive Director	3	1	-	-
Mr. Dwarka Das Daga	Non- Independent Non-Executive Director	2	-	-	-
Mr. Om Prakash Garg	Independent Non-Executive Director	15	-	-	-
Captain Hiteshi Chander Malik	Independent Non-Executive Director	-	-	-	-
Mr. Rajnish Gupta	Independent Non-Executive Director	4	-	-	-
Mr. Padam Singhee	Joint Managing Director Executive and Promoter Director	6	-	-	797,448
Mr. Sachikanta Mishra	Nominee Director	-	-	-	-

Notes:

1. Pursuant to the clause 49, other directorship of only public limited companies have been considered.
2. Except Mr. Prem Singhee Chairman and Managing Director, Mr. Padam Singhee Joint Managing Director and Mr. Sachikanta Mishra, Nominee Director of the Company remaining all other directors are liable to retire by rotation.
3. For the purpose of reckoning the limits regarding chairmanship / membership of committee of board, only two committees namely Audit Committee and Investors'/Shareholders' Grievance Committee have been considered pursuant to Clause 49.

4. None of Director of the Board is a Member of more than 10 Committees and holding the position of Chairmanship in more than five Committees.

(b) Profile of Directors:

1. **Mr. Prem Singhee** is the Chairman and Managing Director of the Company since its inception. He holds a Bachelor's degree in commerce from Osmania University, and has more than twenty seven years' of experience in the oil and gas industry. Mr. Singhee is a brother of Mr. Padam Singhee. He is also a son-in-law of Mr. Dwarka Das Daga.
2. **Mr. Padam Singhee** is a Joint Managing Director of the Company. He has been working with the Company since 1990. He is a graduate in commerce from Osmania University, and has more than twenty three years' of experience in the oil and gas industry.
3. **Mr. Prateep Kumar Lahiri** has been a Director of the Company since 1995. Mr. Lahiri holds a Master degree in history from Allahabad University (Uttar Pradesh) and is a retired Indian Administrative Service (IAS). He has experience of working in senior positions with various administrative departments of the State and Central Governments. He served as Executive Director on the resident Board of Directors of Asian Development Bank, Manila. He was Secretary to the Government of India, Ministry of Finance, Department of Revenue. Prior to that he was Secretary to Government of India in the Ministry of Mines. At present, he is also Director of Vishwakriya Housing Finance Limited and Bharat Seats Limited. He is also a Chairman, Governing Council & Executive Board of ISM University, Dhanbad.
4. **Captain Hiteshi Chander Malik** has been a Director of the Company since October 2007. He has rich aviation experience with the Ministry of Defence, the Department of Civil Aviation. He has also worked with the Directorate General of Civil Aviation and worked in the capacity of Advisor to the Ministry of Civil Aviation and continued to advise four Honorable Ministers till August 2004.
5. **Mr. Dwarka Das Daga** has been a Director of the Company since 1990. He holds a Bachelor's degree in commerce from Calcutta University and is currently also working as a director of Daga Shipping Agents Pvt. Ltd. Mr. Dwarka Das Daga is the father-in-law of Mr. Prem Singhee.
6. **Mr. Rajneesh Gupta** joined the Board on 30 January 2009. He holds a B.Sc degree from Allahabad University and completed his Engineering in Electrical (Hon.) from Punjab Engineering College in 1969. He was selected for the All India Engineering Services Examination 1970 and joined the Indian Telecom Services (ITS) in January 1972 in the Department of Telecommunications of the Government of India. He has rich experience of 35 years, worked as Chairman & Managing Director of Mineral Exploration Corporation Ltd. under the Ministry of Mines and worked as Managing Director of Bharat Gold Mines Ltd.
7. **Mr. Om Prakash Garg** was appointed as a Director of the Company in 1992. He is a graduate in commerce from Maharishi Dayanand University (Haryana) and has experience in various industries. He is a Managing Director of Overseas Carpets Ltd. and a Director of Dwaresh Overseas Construction Pvt. Ltd, Newlink Overseas Finance Ltd. and various other organizations/ companies.
8. **Mr. Sachikanta Mishra** was appointed as a nominee Director of the Company on 13th February, 2012. He is Post Graduate in Mathematical Economic with about 12 years experience macro modeling, strategy, research, financial and management consulting etc. Currently working as Vice president in IFCI, Managing the Corporate Advisory Group.

(b) Board Meetings & Agenda

The Company's Governance Policy requires the Board to meet at least four times in a year. The intervening period between two Board Meetings was not more than the maximum gap of four months, prescribed under Clause 49 of the Listing Agreement with Stock exchanges.

Board Meetings are governed by a structured agenda. The Board Meetings, in consultation with the Chairman, may bring up any matter for the consideration of the Board. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. Agenda papers are circulated at least seven

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working days prior to the Board Meeting.

During the financial year ended on 31st March 2013 the Board of Directors has met for Six times, as follows :-

S No.	Date	Board strength	No of Directors present
1	15 th May, 2012	8	7
2	14 th August, 2012	8	8
3	3 rd September, 2012	8	8
4	29 th October, 2012	8	7
5	16 th November, 2012	8	8
6	14 th February, 2013	8	7

The Company follows a structured process of decision making by the Board and its Committees. The dates of Board meetings are fixed in advance and agenda papers are circulated to Directors in advance containing all the relevant information. The Board is also free to recommend inclusion of any other matter in the agenda for discussion.

The Board has complete access to all relevant information of the Company. The quantum and quantity of information supplied by the management to the Board goes beyond the minimum of Clause 49 of Listing Agreement.

The Non executive directors are only entitled to sitting fees, within the limit prescribed by the Companies Act, 14 1956, for Meeting of Board of Directors of the Company or any committee thereof.

Directors' attendance at Board Meetings and Annual General Meeting during the year ended 31st March 2013.

Name of the Director	No. of Board Meetings attended		Whether attended the AGM held on 28 th September 2012
	Held	Attended	
Mr. Prem Singhee	06	06	-
Mr. Prateep Kumar Lahiri	06	05	-
Mr. Dwarka Das Daga	06	06	Yes
Mr. Om Prakash Garg	06	04	Yes
Captain Hiteshi Chander Malik	06	06	Yes
Mr. Rajnish Gupta	06	06	Yes
Mr. Padam Singhee	06	04	Yes
Mr. Sachikanta Mishra	06	06	No

2. COMMITTEES OF THE BOARD

The terms of reference of the Board Committee are determined by the Board from time to time. Meeting of each Committee are convened by the respective Chairman of the meetings. Matters requiring the Board attention/approval are placed before the Board by the Chairman of the Committee Meetings. The role and composition of these committees, including number of meetings held during the financial year and the related attendance are given below :-

(i) Audit Committee

- The Audit Committee of the Board inter alia provides reassurance to the Board on the existence of the effective internal control environment that ensures: -
 - o Efficiency and effectiveness of operations, both domestic and overseas;
 - o Safeguarding of assets and adequacy of provisions for all liabilities;
 - o Reliability of financial and other management performance and adequacy of disclosures;

- o Compliance with all relevant statutes;
- The Audit Committee is empowered, particularly to the terms of reference, inter alia, to:
 - o Investigate any activity within its terms of reference and to seek any information it requires from any employee;
 - o Obtain legal or other independent professional advices and to secure the attendance of outsiders with relevant experience and expertise, when considered necessary;
- The role of the Committee includes the following :-
 - o Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
 - o Recommending the appointment and removal of external auditors, fixation of audit fee and approval of payment of fees for any other services rendered by the auditors;
 - o Reviewing with the management the financial statements before submission to the Board, focusing primarily on :
 - (a) any changes in accounting policies and practices;
 - (b) the going concern assumption;
 - (c) Major accounting entries based on exercise of judgment by management;
 - (d) Significant adjustments, if any, arising out of audit;
 - (e) Compliance with accounting standards;
 - (f) Compliance with Stock Exchanges and legal requirements concerning financial statements;
 - (g) Related party transactions;
 - (h) Qualifications, if any, in draft audit report;
 - (i) Report of the Directors & Management Discussion and Analysis.
 - o Reviewing with the management, external and internal and external auditors, the adequacy of internal control systems and the Company's statement on the same prior to endorsement by the Board.
 - o Reviewing the adequacy of the internal audit function including the structure of the internal audit department staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
 - o Reviewing reports of internal audit, including the wholly owned subsidiaries;
 - o Reviewing the Company's financial and the management policies;
 - o Looking into the reasons for substantial defaults, if any, in payment to shareholders, in case of non payment of declared dividend and creditors;
 - o Considering such other matters as may be required by the Board.
 - o Considering any other areas which may be specified as role of the Audit Committee under the Listing Agreement, Companies Act and other statutes, as amended from time to time.
 - o The appointment, removal and terms of remuneration of the Internal Auditor;
 - o The uses/applications of funds raised through an issue (public issue, rights issue, preferential issue etc.) by major category (Capital expenditure, Working Capital etc.) as a part of the review of the quarterly financial statements;
 - o If applicable, on an annual basis, statements duly certified by statutory auditors, regarding utilization of funds for purposes other than those stated in the offer document/prospectus/notice issued for raising funds through public issue, rights issue, preferential issue etc. and shall recommend to the Board appropriate steps to be taken up in this matter;
 - o In addition, the Audit Committee also reviews the financial statements in particular, the investments made by the unlisted subsidiary companies.

SHIV-VANI OIL & GAS EXPLORATION SERVICES LIMITED

Composition

The Audit Committee has four members, out of which three are Non-Executive Directors.

The composition is given below :-

S No	Name of Audit Committee Members	Type of Director
1	Shri Om Prakash Garg	Chairman of the Meeting Independent/Non Executive
2	Capt. Hiteshi Chander Malik	Independent/Non Executive
3	Shri Rajneesh Guptga	Independent/Non Executive
4	Shri Padam Singhee	Non Independent/ Executive

The Company Secretary acts as the Secretary to the Committee.

Meeting and Attendance

Details of Audit Committee Meetings held during the financial year

During the financial year ending 31st March, 2013, five meetings of the Audit Committee held as follows :-

S No	Date	Committee strength	No of members present
1	15 th May, 2012	4	4
2	14 th August, 2012	4	4
3	3 rd September, 2012	4	4
4	16 th November, 2012	4	4
5	14 th Febuary, 2013	4	3

The Audit Committee meetings held during the year and attendance are as under: -

Name of the Member	Designation in Committee	Status	No. of Meetings	
			Held	Attended
Mr. Om Prakash Garg,	Chairman	Independent Non-Executive Director	5	4
Captain Hiteshi Chander Malik	Member	Independent Non-Executive Director	5	5
Mr. Padam Singhee	Member	Executive and Promoter Director	5	5
Mr. Rajnish Gupta	Member	Independent Non-Executive Director	5	5

The Chairman of the Audit Committee was present at the Annual General Meeting (AGM) of the Company held on 28th September, 2012 to answer shareholder queries. The terms of reference of the Audit Committee are in conformity with the requirements of Clause 49 (II)(D) of the Listing Agreement and Section 292A of the Companies Act, 1956. Further the Audit Committee has been granted powers as prescribed under Clause 49 (II)(C) of the Listing Agreement.

All the members of the Audit Committee are financially literate with knowledge in finance and accounts. The Head of Finance and Head of Internal Audit attend meetings of the Audit committee as invitees.

The Statutory Auditors remain present during discussion and review of quarterly results and annual accounts, as invitees in meetings of the Audit Committee.

(ii) Remuneration Committee

The Remuneration Committee of the Board recommends the remuneration/ compensation of managerial personnel.

(a) **Remuneration Policy** – Shiv-Vani remuneration strategy aims at attracting and retaining high caliber talent. The remuneration policy is, therefore, market led and takes into account the competitive circumstances of each business so as to attract and retain quality talent and leverage performance significantly.

(b) **Composition**

The Committee consists of three independent and non executive directors viz. Mr. Om Prakash Garg, Chairman, Capt. Hiteshi Chander Malik, Shri Rajneesh Gupta and one executive Director Mr Padam Singhee, Joint Managing Director of the Company.

The Company Secretary acts as Secretary for the Committee.

(c) **Details of Remuneration Committee meetings held during the financial year**

During the financial year ended 31st March, 2013, two meetings of Remuneration Committee were held as follows:-

S No.	Date	Committee strength	No of Members present
1	3 rd September, 2012	4	4
2	29 th October, 2012	4	3

(c) **Attendance**

During the Financial Year ended on 31st March 2013, the member of Remuneration Committee met for two times on 3/9/2012 and 29/10/2012 and attendance was as under:-

Name of the Member	Designation in Committee	Status	No. of Meetings	
			Held	Attended
Mr. Om Prakash Garg	Chairman	Independent Non-Executive Director	2	1
Captain Hiteshi Chander Malik	Member	Independent Non-Executive Director	2	2
Mr. Rajneesh Gupta	Member	Independent Non-Executive Director	2	2
Mr. Padam Singhee	Member	Executive and Promoter Director	2	2

(d) **Remuneration of Directors**

The tenure of office of the Chairman & Managing Director and Joint Managing Director is for certain period from their respective dates of appointment and can be terminated by either party by giving proper notice in writing.

The non-executive and independent directors are paid sitting fee at the rate of Rs 10,000/- for attending each meeting of the Board and Rs 10,000/- for attending each meeting of the Committee thereof. While deciding on the remuneration for Directors, the said Committee considers the performance of the Company, the current trends in the industry and other relevant factors.

Name of the Director	Sitting Fees(₹)	Salary(₹)	Perquisites(₹)	Total(₹)
Mr. Prem Singhee	-	30,000,000	5,620,139	35,620,139
Mr. Padam Singhee	-	24,000,000	4,604,497	28,604,497
Mr. Dwarka Das Daga	2,90,000	-	-	-
Mr. Om Prakash Garg	1,00,000	-	-	-
Mr. Prateep Kumar Lahiri	50,000	-	-	-
Captain Hiteshi Chander Malik	1,50,000	-	-	-
Mr. Rajnish Gupta	1,30,000	-	-	-
Mr. Sachikanta Mishra	60,000	-	-	-

+ None of non-executive director holds any equity shares in the Company.

SHIV-VANI OIL & GAS EXPLORATION SERVICES LIMITED

(iii) Shareholders/ Investors' Grievance Committee

(a) The Investors Grievance Committee of the Board of Directors under nomenclature "Investors Services Committee" oversees redressal of shareholder and investor grievances relating to viz. transfer of shares, dividend and other matters. The Committee work under the control & supervision of the Board of Directors.

(b) Composition

The Committee comprises of two non executive Directors viz. Capt. Hiteshi Chander Malik and Shri Om Prakash Garg and one executive director viz. Shri Padam Singhee, the Chairman of the Committee. The Company Secretary acts as a Secretary of the meeting and is also the Compliance Officer of the Company.

(c) Detail of Investor Services Committee meetings

During the financial year ended on 31st March, 2013, three meetings of the Investors Service Committee were held :

S No.	Date	Committee strength	No of members present
1	30 th June, 2012	3	2
2	15 th September, 2012	3	2
3	30 th March, 2013	3	2

(d) Attendance at Investors Services Committee Meetings during the financial year :

Director	No of Meetings attended
Capt. Hiteshi Chander Malik	3
Shri Padam Singhee	3

(e) Shareholders' Complaints

During the year ended 31st March, 2013, only seventeen complaints were received from shareholders. All the complaints were attended promptly and resolved satisfactorily. Also no valid transfer/ transmission of shares were pending as on 31st March, 2013.

(iv) Share Transfer Committee

(a) Terms of reference

- Noting transfer/transmission of shares.
- Review of dematerialised/rematerialised shares and all other related matters.
- Monitors expeditious redressal of Investor grievance matters received from Stock Exchanges, SEBI, ROC etc.
- To issue duplicate shares, replacement of torn out shares etc.
- Monitors redressal of queries/complaints received from shareholders relating to transfers, non-receipt of Annual Report, dividend etc.
- Others matters related to Shares.

Minutes of meetings of the Share Transfer Committee are circulated to members of the Committee and the Board.

Company Secretary of the Company acts as the Secretary of the Share Transfer Committee Meetings.

(b) Composition

S No	Name of Members	Type of Director
1	Shri Om Prakash Garg	Independent Non Executive Director
2	Shri Dwarka Das Daga	Non Independent Non Executive Director
3	Shri Padam Singhee	Non Independent Executive Director

(c) **Detail of Share Transfer Committee Meetings**

Details of Share Transfer Committee meetings held during the year are as follows :-

Sl No.	Date	Committee Strength	No of members present
1	16 th April, 2012	3	2
2	11 th May, 2012	3	2
3	15 th June, 2012	3	2
4	16 th July, 2012	3	2
5	31 st August, 2012	3	2
6	29 th September, 2012	3	2
7	25 th October, 2012	3	2
8	16 th November, 2012	3	2
9	24 th December, 2012	3	2
10	10 th January, 2013	3	2
11	16 th February, 2013	3	2
12	25 th February, 2013	3	2
13	14 th March, 2013	3	2
14	30 th March, 2013	3	2

(d) **Attendance of Share Transfer Committee meeting during the year ended 31st March, 2013**

Name of the Member	Designation in committee	Status	No. of Meetings attended
Mr. Dwarka Das Daga	Chairman	Independent Non-Executive Director	14
Mr. Padam Singhee	Member	Executive and Promoter Director	14
Mr. Om Prakash Garg	Member	Independent Non-Executive Director	01

(v) **Other Committees**

The Company is having following other Committees formed to speed up the routine matters and to comply with other statutory formalities:-

(i) **Routine Transactions Committee**

(a) **Terms of reference**

The Company is having following other Committees formed to speed up the routine matters and to comply with other statutory formalities:

- applying for the tender in the name or on behalf of the Company
- opening or closing of company's bank account(s);
- making application to or representation before any statutory, legislative or judicial authority or government department;
- appointment of agents or authorize any person to discharge their obligation(s) or duty (ies) or to exercise their right(s) and power.
- Any other matter which is deemed emergent.

SHIV-VANI OIL & GAS EXPLORATION SERVICES LIMITED

Minutes of meetings of the Routine Transaction Committee are circulated to members of the Committee and the Board.

The Company Secretary of the Company acts as the Secretary of the Routine Transaction Committee

(b) **Composition**

The Committee for routine transaction consists of three Members viz. Mr. Padam Singhee, Mr Prem Singhee and Mr Dwarka Das Daga, Directors and is chaired by Mr. Padam Singhee, Executive and Promoter Director of the Company.

(c) **Details of Routine Transaction Committee meetings**

During the financial year 2012-13 nine meetings of Routine Transaction Committee were held :-

S No.	Date	Committee strength	No of members present
1	2 nd April, 2012	3	2
2	28 th May, 2012	3	2
3	12 th July, 2012	3	2
4	1 st August, 2012	3	2
5	30 th August, 2012	3	2
6	18 th October, 2012	3	2
7	7 th January, 2013	3	2
8	19 th February, 2013	3	2
9	30 th March, 2013	3	2

(d) Attendance during the financial year in Routine Transaction Meeting was as under :-

Name of the Member	Designation in committee	Status	No. of Meetings attended
Mr. Padam Singhee	Chairman	Executive and Promoter Director	9
Mr. Prem Singhee	Member	Executive and Promoter Director	0
Mr. Dwarka Das Daga	Member	Non Independent Non-Executive Director	9

(ii) **Allotment Committee**

(a) **Terms of Reference**

- a. To discuss the terms of issuance of shares on Preferential basis;
- b. To issue and allot shares on preferential basis

(b) **Composition**

The Committee consists of five directors viz. Shri Padam Singhee, Shri Rajnish Gupta, Shri Dwarka Das Daga, Capt. Hiteshi Chander Malik and Shri Om Prakash Garg. The Company Secretary acts as a Secretary of the Company.

(c) **Attendance**

There is no Allotment Committee Meeting during the Financial Year 2012-2013.

3. GENERAL BODY MEETINGS

Details of the General Meetings held in the last three years.

I. Annual General Meeting

Year	Date	Day	Time	Venue	Special Resolutions Passed
2012	28-09-2012	Friday	12.00 Noon	Khasra No. 193, F-6, Pushpanjali Farm, Bijwasan, New Delhi-110061	Revision in the remuneration of Mr. Prakaash Kumar Chiman Lal Singhee, President- Technical under Section 314(1B) of Companies Act, 1956.
2011	30-09-2011	Friday	12.00 Noon	Khasra No. 193, F-6, Pushpanjali Farm, Bijwasan, New Delhi-110061	None
2010	30-09-2010	Thursday	12.00 Noon	Khasra No. 193, F-6, Pushpanjali Farm, Bijwasan, New Delhi-110061	<ol style="list-style-type: none"> 1. Alternation of Articles of Association of the Company. 2. To Increase the remuneration paid to Mr. Prakaash Singhee - President Technical of the Company- u/s 314(1B) of Companies Act, 1956 3. To increase remuneration payable to Mr. Mayank Singhee – Vice President Projects) u/s 314(1B) of Companies Act, 1956

II. No Extraordinary General Meeting was held during FY 2012-13

III. No Postal Ballot was conducted during FY 2012-13

4. CODE OF CONDUCT

In pursuance of Clause 49 of the Listing Agreement, the Board approved the “Code of Conduct” for Board of Directors and Senior Management and the same was circulated and posted on the Company's website. The Directors and Senior Management personnel have given their declarations confirming compliance of provisions of above Code of Conduct.

Declaration as required under Clause 49 of the Listing Agreement

All Directors and Senior Management personnel of the Company have affirmed compliance with the provisions of the Code of Conduct for the Financial Year ended on 31st March, 2013.

New Delhi
August 14, 2013

Sd/-
Prem Singhee
(Chairman & Managing Director)

5. Certificate from CEO and CFO

To
The Board of Directors
Shiv-Vani Oil & Gas Exploration Services Limited
New Delhi

We, Prem Singhee, Chairman and Managing Director and Rajan Gupta, Chief Financial Officer, of the Company do hereby certify that:

- (a) We have reviewed financial statements and the cash flow statement for the financial year ended on 31st March, 2013 and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

SHIV-VANI OIL & GAS EXPLORATION SERVICES LIMITED

- (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) To the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee
 - (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system or financial reporting.

Sd/-
Prem Singhee
(Chairman & Managing Director)

Sd/-
Rajan Gupta
(Chief Financial Officer)

New Delhi
14th August, 2013.

6. DISCLOSURES

A. Related Party Transactions

The Company has not entered into any materially significant related party transaction that may have any potential conflict with the interests of the Company and all the related party transactions (if any) has been placed before Audit Committee from time to time. Further details in respect to related party transactions are fully stated in Notes to Accounts of enclosed.

B. Whistle Blower Policy

The company has established a mechanism for employees to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy. It also provide for adequate safeguards against victimization of employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit committee in exceptional cases. The existence of the mechanism has been appropriately communicated within the organization.

C. Risk Management

The company has laid down procedures to inform Board members about the risk assessment and minimization procedures. These procedures has been periodically reviewed to ensure that executive management controls risk through means of a properly defined framework.

D. Secretarial Audit

Mr. D.P Gupta, an Independent Practicing Company Secretary (C. P. 1509) carried out Secretarial Audit on quarterly basis to reconcile the total admitted capital with the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued/ paid up capital is in agreement with the total number of shares held in physical form and in dematerialized form held with NSDL and CDSL.

E. Compliance by the Company

During the last three years, no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authorities on matters related to capital markets.

The Company has complied with all the mandatory requirements and has endeavoring to incorporate non-mandatory requirements to ensure better corporate governance and transparency in the functioning of the Company's management such as:

1. Company is moving toward the regime of unqualified financial statement.
2. Company has established and encouraged whistle blower policy in order to discourage, prevent and detect fraud and other material irregularities.
3. The remuneration committee has been empowered to take decisions independently and according to the remuneration policy of the Company to commensurate the remuneration of a director with his/her performance and contribution in the growth and prosperity of Company.

7. MEANS OF COMMUNICATION

1. At present, Quarterly Financial results are sent to National Stock Exchange of India Limited and Bombay Stock Exchange Limited as per the requirement of Listing Agreement but are not sent to each of shareholder separately.
2. Quarterly Results and other notices issued by the company to its shareholder are normally published in following news papers:
 - a. The Financial Express (English);
 - b. Jansatta (Hindi)
3. Quarterly results, shareholding pattern, notices and other relevant information's are displayed on Company's website at www.shiv-vani.com and www.shiv-vani.co.in.
4. Management Discussion and analysis report forms part of this annual report.

GENERAL SHAREHOLDERS INFORMATION

(i) The 22nd Annual General Meeting shall be held as under

Day : Friday
Date : 30th September 2013.
Time : 12.00 Noon
Venue : Khasra No. 193, F-6, Pushpanjali Farm, Bijwasan, New Delhi

(ii) **Financial Year**

Financial Year of Company is of 12 Months, commencing from 1st April of a calendar year to 31 March of subsequent calendar year

(iii) **Financial Calendar (1st April, 2012 to 31st March, 2013)**

For the Year ended March 31, 2012 results were announced on

- First Quarter –15th May, 2012.
- Second Quarter –14th August, 2012.
- Third Quarter –16th November, 2012.
- Fourth Quarter –14th February, 2013.
- Annual –30th May, 2013.

(iv) **Book Closure Dates:**

For the purpose of payment of dividend the book closure dates are from day, Saturday 28th September, 2013 to 30th September, 2013 (both days inclusive).

(v) **Dividend Payment Date**

The Board of Directors have not recommended any dividend for the FY 2012-13.

SHIV-VANI OIL & GAS EXPLORATION SERVICES LIMITED

(vi) Listing on Stock Exchanges

The Equity Shares of the Company are listed on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited. The annual listing fees for the year 2012-13 have been paid.

Stock Code

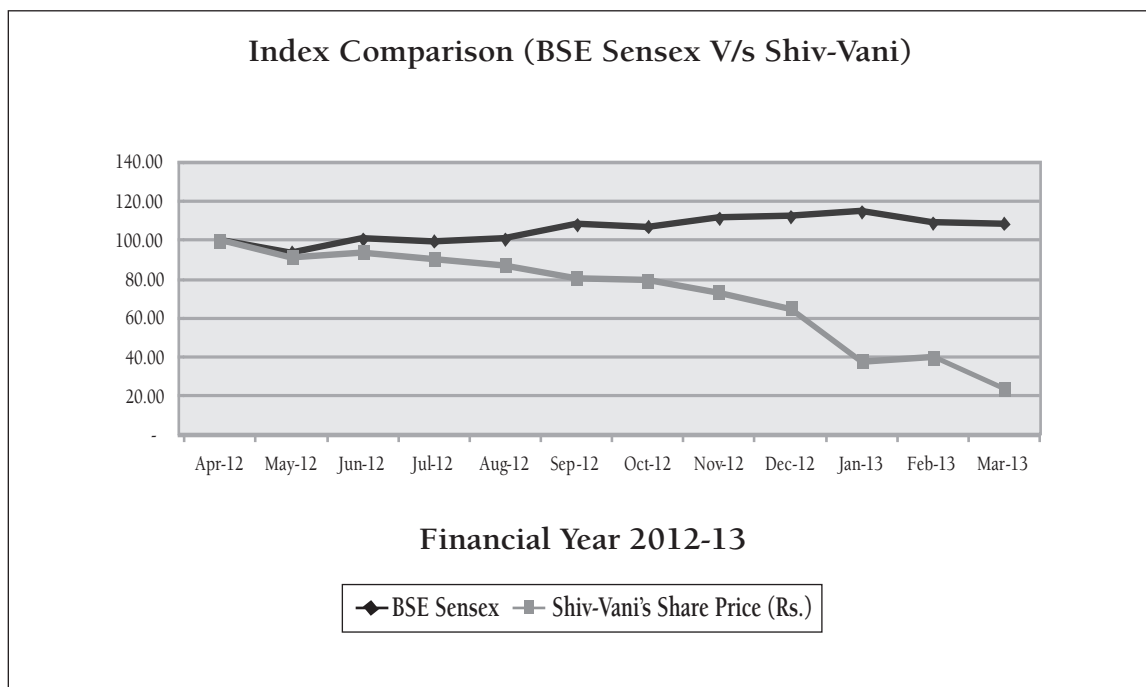
Bombay Stock Exchange Limited	-	522175
National Stock Exchange of India Limited	-	SHIV-VANI
ISIN No.	-	INE756B01017

(vii) History of Equity Capital of the Company Since incorporation

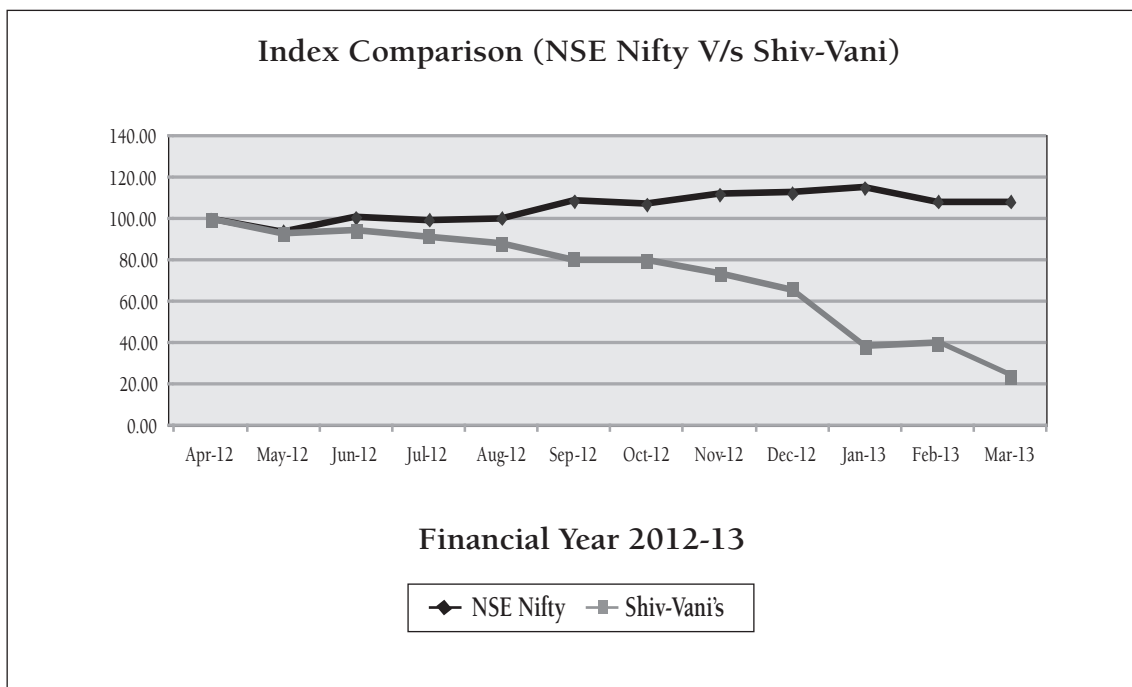
Date	Particulars	Shares		Balance
		Issued	Cancelled / forfeited	
05.12.1989	Issued to promoters at Incorporation	200	-	200
21.01.1992	Issued to promoters	435,000	-	435,200
03.02.1992	Issued to promoters	2,000	-	437,200
25.03.1992	Issued to promoters	98,000	-	535,200
15.11.1993	Preferential Allotment to promoters	2,021,700	-	2,556,900
19.01.1994	Public Issue	5,920,000	-	8,476,900
30.06.1996	Preferential Allotment to promoters	1,250,000	-	9,726,900
03.10.1997	Preferential Allotment to promoters	300,000	-	10,026,900
26.06.1998	Preferential Allotment to promoters	6,000,000	-	16,026,900
15.03.2002	Preferential Allotment to promoters	4,000,000	-	20,026,900
23.03.2004	Preferential Allotment to promoters	1,600,000	-	21,626,900
30.10.2006	Allotment pursuant to merger of SVUL Projects Ltd.	10,339,120	-	31,966,020
05.12.2007	Allotment upon conversion of FCCB	506,880	-	32,472,900
24.02.2007	Allotment upon conversion of FCCB	963,076	-	33,435,976
08.03.2007	Allotment upon conversion of FCCB	675,843	-	34,111,819
15.05.2007	Allotment upon conversion of FCCB	726,531	-	34,838,350
01.06.2007	Allotment upon conversion of FCCB	253,440	-	35,091,790
18.06.2007	Allotment upon conversion of FCCB	67,584	-	35,159,374
03.08.2007	Allotment upon conversion of FCCB	168,960	-	35,328,334
14.08.2007	Preferential Allotment to Citi Group	2,733,330	-	38,061,664
16.10.2007	Allotment upon conversion of FCCB	321,024	-	38,382,688
17.11.2007	Allotment upon conversion of FCCB	33,792	-	38,416,480
14.12.2007	Allotment upon conversion of FCCB	168,960	-	38,585,440
10.01.2008	Allotment upon conversion of FCCB	1,774,089	-	40,359,529
19.03.2008	Allotment upon conversion of FCCB	3,548,177	-	43,907,706
05.09.2008	Forfeiture of shares due to non-payment of call money	-	5,100	43,902,606
23.03.2010	Preferential allotment to Templeton Strategic Emerging Markets Fund LDC-III	2,457,895	-	46,360,501

(viii) Market Price Data of Shares of Company

Month	Share Price at Bombay Stock Exchange (Rs)		Share Prices at National Stock Exchange (Rs)	
	High	Low	High	Low
30/04/2012	187.05	161.05	185	161
31/05/2012	169	147.05	169.9	145.5
29/06/2012	162	138.5	156.4	136.7
31/07/2012	164	143.8	168.9	145.4
31/08/2012	160	141.3	155.9	142.1
28/09/2012	152.3	128.05	152.6	128.3
31/10/2012	149.9	128	149.7	128.3
30/11/2012	138.05	117	138	115.6
31/12/2012	133	105.5	133	105.9
31/01/2013	115.6	61.5	115.85	61.8
28/02/2013	75	49.45	75.7	49.35
28/03/2013	66.95	35.7	67	35.7



SHIV-VANI OIL & GAS EXPLORATION SERVICES LIMITED



(ix) SHARE TRANSFER SYSTEM

With a view to expedite the process of share transfers, the Board of Directors of the Company has delegated the power of share transfer to Share Transfer Committee. The shares for transfers received in physical form are transferred expeditiously, provided the documents are complete and the shares under transfer are not under any dispute. The share certificates duly endorsed are returned immediately to shareholders. Confirmation in respect of the requests for dematerialization of shares is sent to the respective depositories i.e. NSDL and CDSL expeditiously.

(x) Distribution of Shareholding as on 31st March, 2013

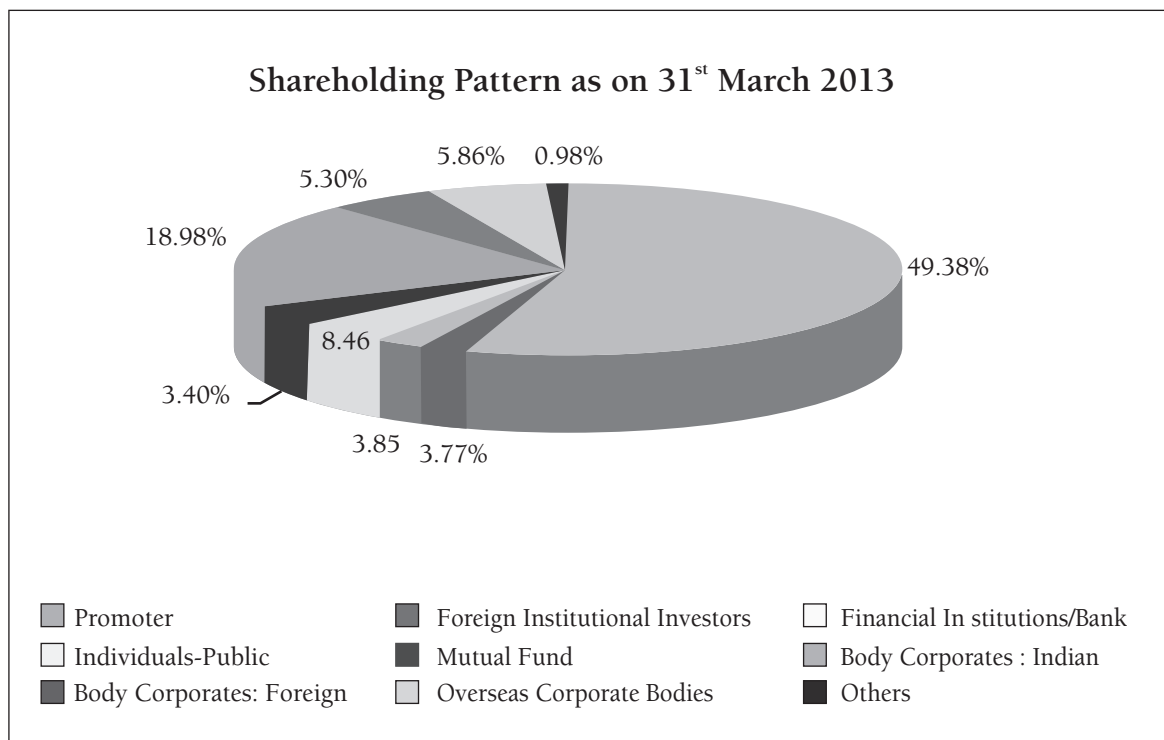
The distribution of shareholding and shareholding pattern as on 31st March 2013 were as follows:

a. Distribution of Shareholding by size:

No of Shares Held	Shareholders		Shares	
	Number	As a Percentage of Total	Number	As a Percentage of Total
Upto - 500	21266	93.31 %	2076152	4.48%
501 - 1000	812	3.56%	640391	1.38%
1001 - 2000	342	1.50%	512403	1.11%
2001 - 3000	98	0.43%	252777	0.55%
3001 - 4000	48	0.21%	168199	0.36%
4001 - 5000	34	0.15%	162417	0.35%
5001 - 10000	49	0.22%	324120	0.70%
10001 and above	131	0.62%	42224092	91.07%
Total	22780	100.00%	46360501	100.00%

b. Distribution of Shareholding by Category:

Category	No. of shareholders	No. of Shares held	% of Total Shares
Promoter Group:			
Individual	9	5095795	10.99
Body Corporate	46	16003731	34.52
OCB	1	1250000	2.70
Foreign Company	1	543400	1.17
Sub Total (A)	57	22892926	49.38
Public			
Individual	21422	3923826	8.46
Mutual Fund	2	1578027	3.40
Foreign institutional Investors	10	1749788	3.77
Financial Institutions/banks	2	1784953	3.85
Overseas Corporate Body	2	2718934	5.86
Domestic Companies	529	8797646	18.98
Foreign Companies	1	2457895	5.30
NRI's	598	233702	0.50
Others	157	222804	0.48
Sub Total (B)	22723	234675758	50.62
Total (A+B)	22780	46360501	100.00

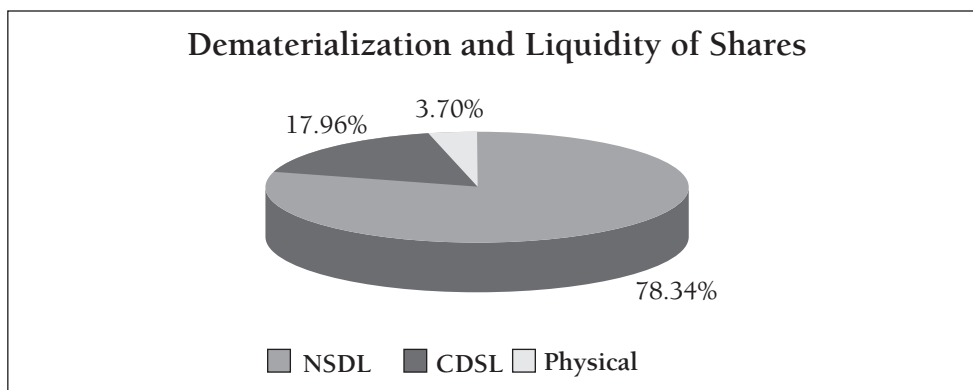


SHIV-VANI OIL & GAS EXPLORATION SERVICES LIMITED

(xi) Dematerialization and Liquidity of Shares

The Shares of the Company are in compulsory demat segment and are available for trading in the depository systems of NSDL & CDSL. As on 31st March 2013 the 96.30% Share Capital of the Company had been dematerialized.

Segment	No. of Shares	% of Shareholding
Physical (A)	1713353	3.70 %
Demat:-		
NSDL	36319779	78.34 %
CDSL	8327369	17.96 %
Total (B)	44647148	96.30 %
Grand Total (A+B)	46360501	100.00%



(xii) Investor Correspondence Address

The works of the Company vary from place to place, depending upon the contracts being executed from time to time.

Company

Mr. Vimal Chadha
Company Secretary
Shiv-Vani Oil & Gas Exploration Services Limited
 Tower-1, 5th Floor, NBCC Plaza, Sector V,
 Pushp Vihar, Saket, New Delhi-110017
 Telephone: 011- 2952 1585, 2956 4592
 Fax: 011- 2952 1587
 Email: vimal.chadha@shiv-vani.com

Registrar and Transfer Agent

Link Intime India Private Limited
 A-40, 2nd Floor, Naraina Industrial Area,
 Phase-II, Near Batra Banquet Hall,
 New Delhi-110028
 Phone: 011-41410592/93/94
 Telefax: 011-41410591
 E-mail: delhi@linkintime.co.in

(xiii) Investor Safeguards and other Information

Dematerialization of Shares: Shareholders are requested to convert their physical holdings to demat/electronic form through any of the registered Depository Participants (DPs) to avoid the hassles involved in dealing in physical shares such as possibility of loss, mutilation, etc. and also to ensure safe and speedy transaction in respect of the shares held.

Revalidation of Dividend Warrants: In respect of shareholders who have either not opted for NECS/ECS mandate or do not have such a facility with their banker and who have not encashed earlier dividends paid by the Company, are requested to write to Company's Share Transfer Agents for revalidation of expired dividend warrants and failing their encashment for a period of seven years, they stand to lose the right to claim such dividend owing to transfer of unclaimed dividends beyond seven years to Investor Education and Protection Fund.

Transfer of Unclaimed Dividend to Investor Education & Protection Fund (IEPF): Pursuant to Section 205A of the Companies Act, 1956 any amount of dividend which remains unclaimed /unpaid for a period of seven years from the date it is transferred to the dividend unpaid account shall be deposited with Investors Education &

Protection Fund (IEPF) maintained by the Central Government in pursuance of section 205C of the Companies Act, 1956, thereafter there shall lie no claim against such unpaid dividend. Hence, all the shareholders, whose dividend is lying un-paid, are advised to claim at the earliest are given in the table below.

Financial Year	Interim/ Final	Date of Declaration	Dividend Rate	Due date of Transfer to IEPF
2008-09	Final	7th September 2009	10 %	14th October 2016
2009-10	Final	30th September 2010	10 %	6th November 2017
2010-11	Final	29th September 2011	20 %	5th November 2018
2011-12	Final	28th September 2012	10%	5th November 2019

Members are once again requested to utilize this opportunity and get in touch with the Company's Registrar and Share Transfer Agents M/s. Link Intime India Private Limited at their communication address for encashing the unclaimed dividends standing to the credit of their account. Members are further requested to note that after completion of 7 years, no claims shall lie against the said Fund or Company for the amounts of dividend so transferred, nor shall any payment be made in respect of such claims.

Update Address/ E-Mail Address/Bank Details: To receive all communications/corporate actions promptly, shareholders holding shares in dematerialised form are requested to please update their address/e-mail address/bank details with the respective DPs and in case of physical shares, the updated details have to be intimated to the Registrar & Share Transfer Agents.

CONSOLIDATE MULTIPLE FOLIOS (IN RESPECT OF PHYSICAL SHAREHOLDING): Members are requested to consolidate their shareholdings under multiple folios to eliminate the receipt of multiple communications and this would ensure that future correspondence/corporate benefits could then be sent to the consolidated folio.

REGISTER NOMINATION(S): Members holding shares in physical form, are requested to register the name of their nominee(s), who shall succeed the member as the beneficiary of their shares and in order to avail this nomination facility, they may obtain/submit the prescribed Form 2B from/with the Registrars & Share Transfer Agents. Members holding shares in dematerialised form are requested to register their nominations directly with their respective Dps.

DEALINGS OF SECURITIES WITH REGISTERED INTERMEDIARIES: In respect of dealings in securities, members must ensure that they deal only with SEBI registered intermediaries and must obtain a valid contract note/ confirmation memo from the broker/sub-broker within 24 hours of execution of the trade(s) and it should be ensured that the contract note/confirmation memo contains details about order no., trade no., trade time, quantity, price and brokerage.

Auditors' certificate on compliance with the conditions of corporate governance under Clause 49 of the listing agreements

To,
The Members of
Shiv-Vani Oil & Gas Exploration Services Limited

We have examined the compliance of conditions of corporate governance by Shiv-Vani Oil & Gas Exploration Services Limited ("the Company") for the year ended on 31st March 2013, as stipulated in Clause 49 of the Listing Agreements of the Company with the Bombay Stock Exchange and National Stock Exchange.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company, for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the abovementioned listing agreements.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Vijay Prakash Gupta & Associates
Chartered Accountants
Firm Reg. No. : 005570N

New Delhi
August 14, 2013

Vikas Varshney
Partner
Membership No.510929

SHIV-VANI OIL & GAS EXPLORATION SERVICES LIMITED

INDEPENDENT AUDITORS' REPORT

To,

The Members of Shiv-Vani Oil & Gas Exploration Services Ltd.

Report on the Financial Statements

1. We have audited the accompanying financial statements of Shiv-Vani Oil & Gas Exploration Services Ltd. (the "Company"), which comprise the Balance Sheet as at March 31, 2013 and Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

Management's Responsibility for the Financial Statements

2. The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the Accounting Standards referred to in sub-section(3C) of Section 211 of the 'Companies Act, 1956' of India (the "Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An Audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion, and to the best of our information and according to the explanations given to us, the accompanying financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
 - a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
 - b) In the case of the statement of Profit & Loss, of the Profit for the year ended on that date;
 - c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 7 As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of Sub-Section (4A) of Section 227 of the Act (hereinafter referred to as the 'Order') and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in the paragraph 4 and 5 of the Order.
- 8 As required by Section 227(3) of the Act, we report that :-
- (a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit.
 - (b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books.
 - (c) The Balance Sheet, Statement of Profit & Loss dealt with by this Report are in agreement with books of account.
 - (d) In our opinion, the Balance Sheet, Statement of Profit & Loss dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Act;
 - (e) On the basis of written representation received from the Directors as on 31st March, 2013, and taken on records by the Board of Directors, none of the Directors is disqualified as on 31st March, 2013, from being appointed as a Director in terms of clause (g) of sub-Section (I) of Section 274 of the Act.

For Vijay Prakash Gupta & Associates
Chartered Accountants
Firm Reg. No. : 005570N

Vikas Varshney
Partner
Membership No.510929

New Delhi
May 30, 2013

SHIV-VANI OIL & GAS EXPLORATION SERVICES LIMITED

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 7 of the Independent Auditor's Report of even date to the member of Shiv-Vani Oil & Gas Exploration Services Ltd. on the financial statements as of and for the year ended March 31, 2013.

- I. In respect of its fixed assets:
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
 - b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the company and nature of its assets no material discrepancies were noticed on such physical verification.
 - c) In our opinion the company has not disposed of a substantial part of its fixed assets during the year and therefore, the going concern status of the Company is not affected.
- II. In respect of its inventories:
 - a) As explained to us, the inventory of store & Spare parts, except goods in transit, lying at different sites, have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable having regard to the company and the nature of the company and the nature of its business.
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) The Company has maintained proper records of inventory. as explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.
- III. In respect of the loans, secured or unsecured, granted or taken by the company to/from companies, firm or other parties in the register maintained under section 301 of the Companies Act, 1956;
 - a) The Company has given interest bearings loan to corporate/ to its subsidiaries. In respect of the said loans, the maximum amount outstanding at any time during the year was Rs. 192,38,16,345/-.
 - b) In our opinion and according to the information and explanations given to us, the terms and conditions of interest free loans are not prima facie prejudicial to interest of the Company.
 - c) The said interest free loan given to a wholly owned subsidiary of the Company are repayable on demand and there is no repayment schedule.
 - d) In respect of the loan given by the Company to the corporate, the same is repayable on demand the question of overdue amount does not arise.
 - e) The Company has taken new loans during the year.
- IV. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and also for the sale of goods and services. During the course of our audit, we have not observed and continuing failure to correct major weaknesses in internal control systems.
- V. in respect of the contracts or arrangements referred to section 301 of the companies act 1956:
 - a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that needed to be entered in the register maintained under section 301 of the Companies Act, 1956 have been so entered.
 - b) In our opinion and according to the information and explanations given to us, there are certain transactions in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 aggregating during the year to Rs.500000/- or more in respect of any party in the said financial year. The prices at which these have been made reasonable having to the prevailing prices at that time.
- VI. According to the information and explanations given to us, the Company has not accepted any deposits from the public. Therefore the provision of Clause (vi) of the companies (Auditors Report) Order, 2003 are not applicable to the Company.
- VII. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- VIII. Maintenance of cost records has not been prescribed by central government under section 209 (1) (d) of the Companies Act, 1956.

IX. In respect of statutory dues:

- a) According to the records, the Company was not regular in depositing the undisputed statutory dues including Provident Fund, Employees State Insurance Contribution, Sales tax, Work contract ax, Tax deducted at Source and other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed accounts payable in respect of the aforesaid dues were outstanding as at March 31,2013 for a Period of more than six months from the date of becoming payable except Tax deducted at sources dues aggregating to Rs. 12,90,08,864/- (Previous Year – 2,62,31,877), VAT dues aggregating to Rs. 1,75,68,135/-, Work Contract Tax dues aggregating to Rs. 57,44,111/- and Services Tax dues aggregating to Rs. 127,22,44,795/- (Previous Year – Rs. 49,32,81,182) were payable at the year end.
- b) Following are the details of disputed statutory due that have not been Paid to the concerned authorities.

Name of the Statute pending	Nature of Dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Service	Demand	47,95,31,062	F. Y. 2007-08	Service Tax Appellate Tribunal
Central Excise & Custom	Penal Proceeding	12,50,000	F. Y. 2007-08	High Court - Bombay
Income Tax Act, 1961	Income Tax	33,90,17,125	2005-06 To 2008-09	Commissioner of Income Tax (Appeals) New Delhi

- X. The Company does not have accumulated losses at the end of the financial year. The Company has not incurred cash losses during the financial year covered of dues to financial year.
- XI. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the company has not defaulted in repayment of dues to financial institutions. Bank or debenture holders.
- XII. In our opinion and according to the explanations given to us and based on the information available, no loans and advances have been granted by the company on the basis of security by way of pledge of shares, debentures and other securities.
- XIII. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund /society. Therefore, the provisions of clause (xiii) of the Companies (Auditor Report) Order,2003 are not applicable to the Company.]
- XIV. The Company is not dealing or trading in shares, securities, debentures and other investments as such the provision of the clause are not applicable to the Company.
- XV. According to the information and explanation given to us, the company has given counter guarantee against the guarantees issued by the company's bankers.
- XVI. As per information and explanation given to us, term loans raised during the year by the company have been applied for the purpose for which said loans were raised.
- XVII. According to the information and explanations given and records examined by us, as on the date of balance sheet ,no funds raised on short-term basis used for long term investment. Similarly, no funds raised on long-term basis have been used for short-term investment.
- XVIII. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the companies Act 1956.
- XIX. The Company has not issued any debentures during the year.
- XX. The company has not raised any monies by way of public issues during the year.
- XXI. According to the information and explanation given to us, and on the basis of our examination of the books and records of the company carried out in accordance with the generally accepted auditing practices in India. We have not come across any such instance of fraud on or by the company have been noticed or reported during the course of our audit.

For Vijay Prakash Gupta & Associates
Chartered Accountants
Firm Reg. No. : 005570N

New Delhi
May 30, 2013

Vikas Varshney
Partner
Membership No.510929

SHIV-VANI OIL & GAS EXPLORATION SERVICES LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2013

Particulars	Note	As at March 31, 2013 (₹)	As at March 31, 2012 (₹)
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2	463,605,010	463,605,010
(b) Reserves and Surplus	3	9,800,004,507	9,514,006,158
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	4	19,872,617,580	15,710,572,167
(b) Deferred Tax Liabilities (Net)	5	1,716,640,182	1,676,658,503
(c) Other Long Term Liabilities	6	3,957,469	4,589,464
(d) Long Term Provisions	7	96,169,316	58,879,284
(3) Current Liabilities			
(a) Short-Term Borrowings	8	2,760,693,992	2,397,023,423
(b) Trade Payables	9	2,827,592,302	1,927,402,729
(c) Other Current Liabilities	10	7,520,276,661	8,231,749,872
(d) Short-Term Provisions	11	1,060,254,138	1,094,050,939
Total Equity & Liabilities		46,121,811,157	41,078,537,550
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets	12		
(i) Tangible Assets		21,823,617,026	19,138,441,755
(ii) Capital Work in progress		5,182,151,490	3,777,148,255
(b) Non-Current Investments	13	568,793,243	568,793,189
(c) Long term Loans and Advances	14	4,365,611,457	3,839,087,991
(d) Other Non-Current Assets	15	329,334,561	585,877,679
(2) Current Assets			
(a) Inventories	16	2,840,997,222	2,197,049,254
(b) Trade Receivables	17	6,224,234,018	5,873,594,282
(c) Cash and Bank Balances	18	527,561,198	898,511,051
(d) Short-Term Loans and Advances	19	2,206,649,354	2,254,917,603
(e) Other Current Assets	20	2,052,861,588	1,945,116,492
Total Assets		46,121,811,157	41,078,537,550
Significant Accounting Policies	1		

As per our report of even date
for Vijay Prakash Gupta & Associates
Chartered Accountants
Firm Reg.No. : 005570N

Vikas Varshney
Partner
M.No. 510929

New Delhi
May 30, 2013

For and on behalf of the Board

Prem Singhee - Chairman & Managing Director

Padam Singhee - Joint Managing Director

Rajan Gupta - Chief Financial Officer

Vimal Chadha - Company Secretary

PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2013

S.No	Particulars	Note	For the year ended March 31, 2013 (₹)	For the year ended March 31, 2012 (₹)
I	Revenue from operations	21	10,742,412,640	12,593,176,365
	Other Income	22	111,825,954	289,538,569
	Total Revenue (I)		10,854,238,594	12,882,714,934
II	Expenses:			
	Cost of materials consumed	23	1,830,610,484	2,183,884,656
	Operational Expenses	24	3,311,482,540	4,511,064,898
	Employee Benefit Expense	25	569,611,277	735,475,213
	Financial Cost	26	2,666,878,781	2,689,852,766
	Depreciation and Amortization Expenses	27	1,210,318,103	1,122,777,109
	Other Expenses	28	495,994,678	593,099,487
	Total Expenses (II)		10,084,895,863	11,836,154,129
III	Profit before tax (I - II)		769,342,731	1,046,560,805
IV	Tax expense:			
	(1) Tax relating to previous years		55,170	457,232
	(2) Current tax		153,900,000	209,400,000
	Add : MAT credit utilized / (available)		198,862,922	(193,613,749)
	(3) Net Deferred tax Liability		39,981,679	338,651,012
V	Profit for the period (III - IV)		376,542,960	691,666,310
VI	Earning per equity share:			
	(1) Basic		8.12	14.92
	(2) Diluted		7.02	13.67
	Significant Accounting Policies	1		

As per our report of even date
for **Vijay Prakash Gupta & Associates**
Chartered Accountants
Firm Reg.No. : 005570N

Vikas Varshney
Partner
M.No. 510929

New Delhi
May 30, 2013

For and on behalf of the Board

Prem Singhee - Chairman & Managing Director

Padam Singhee - Joint Managing Director

Rajan Gupta - Chief Financial Officer

Vimal Chadha - Company Secretary

SHIV-VANI OIL & GAS EXPLORATION SERVICES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

Particulars	March 31, 2013 (₹)	March 31, 2012 (₹)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and extraordinary items	769,342,731	1,046,560,805
Adjustment for:		
1. Depreciation	1,152,637,907	1,065,096,913
2. Deferred Revenue Expenditure	57,680,196	57,680,196
3. Investments (Interest Income)	(43,178,368)	(43,437,223)
4. Interest Expenditure	2,518,333,328	2,572,866,103
5. (Profit) / Loss on Sale of Fixed Assets	(37,014,730)	2,532,121
6. (Profit) / Loss on Sale of Scrap	(1,635,700)	-
7. Fixed Assets w/off.	19,812,307	-
Operating Profit before Working Capital Charges	4,435,977,671	4,701,298,915
1. Trade & Other Receivables	(719,794,832)	(994,010,141)
2. Inventories	(643,947,968)	(206,296,685)
3. Trade Payable & Provisions	189,338,702	4,247,506,873
Cash Generation From Operations	3,261,573,573	7,748,498,962
1. Interest paid	(2,518,333,328)	(2,572,866,103)
2. Direct Taxes Paid	(216,845,217)	(269,443,073)
	526,395,028	4,906,189,787
Cash Flow Before Extra Ordinary Items		
1. Extraordinary items	(55,170)	(457,232)
Net cash From Operating Activities	526,339,858	4,905,732,555
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed assets (net)	(5,531,165,212)	(3,985,065,097)
Sale / Adjustment of fixed assets	64,981,206	32,735,170
Interest Received	43,178,368	43,437,223
Purchase of Investments	(54)	(526,000)
Net Cash From Investing Activities	(5,423,005,692)	(3,909,418,704)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long and short term borrowings	4,525,715,981	(2,551,995,556)
Misc Expenditure	-	-

Net cash flow from financing activities	4,525,715,981	(2,551,995,556)
Net Increase/(Decrease) In cash and Cash Equivalents	(370,949,853)	(1,555,681,705)
Cash and cash equivalents at the beginning	898,511,051	2,454,192,756
Cash and cash equivalents at the closing	527,561,198	898,511,051

For and on behalf of the Board

Prem Singhee - Chairman & Managing Director

Padam Singhee - Joint Managing Director

Rajan Gupta - Chief Financial Officer

Vimal Chadha - Company Secretary

Auditors' certificate

We have examined the attached cash flow statement of Shiv Vani Oil & Gas Exploration Services Ltd for the year ended 31st March, 2013. The Statement has been prepared by the Company in accordance with the requirements of the listing agreement clause 32 with the stock exchanges and in agreement with the corresponding Profit & Loss account and Balance Sheet of the Company covered by our report of even date to the members of the Company.

for **Vijay Prakash Gupta & Associates**
Chartered Accountants
Firm Reg.No. : 005570N

(**Vikas Varshney**)
Partner
M.No. 510929

New Delhi
May 30, 2013

Notes Forming Part of financial statements

1 Significant Accounting Policies:

1. Basis of preparation of financial statement

The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis. GAAP comprises mandatory accounting standards as prescribed by the Companies (Accounting Standards) Rules, 2006, the provisions of the Companies Act, 1956 and guidelines issued by the Securities & Exchange Board of India.

2. Use of estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets & liabilities and disclosure relating to contingent liabilities as at the date of financial statements and reported amounts of income and expenses during the period.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of change in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made, if material, their effects are disclosed in the notes to the financial statements.

The management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceeds the carrying amount that would have been determined (net of any accumulated amortization).

3. Revenue Recognition

Revenue is primarily derived from oil & gas exploitation and other allied services. The same is accounted for by the Company on the basis of Gross value of work done.

Profit on sale of fixed assets / investments are recorded on transfer of title from the company and are determined as the difference between the sale price and carrying value of the fixed asset / investments.

Interest is recognized using the time-proportion method based on rates implicit in the transaction.

4. Provisions and Contingent liabilities

A provision is recognized if, as a result of a past event, the company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle obligation. Provisions are determined by the best estimate of the outflow benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provision for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

5. Fixed Assets and Capital work-in-progress

Fixed assets are stated at cost, less accumulated depreciation and impairments, if any. Direct costs are capitalized until fixed assets are ready for use. Borrowing costs directly attributable to acquisition or construction of fixed assets, which necessarily take a substantial period of time to get ready for their intended use, are capitalized. Capital work-in-progress

comprises outstanding advance paid to acquire fixed assets, and the cost of fixed assets that are not yet ready for their intended use at the reporting date.

6. Depreciation and amortization

Depreciation on fixed assets is provided on the straight-line method at the rate prescribed under Schedule XIV to the Companies Act, 1956. Depreciation for assets purchased/sold, impaired or discarded during a period is proportionately charged. Individual low cost assets (acquired for less than Rs. 5000/-) are depreciated fully in the year of purchase.

7. Retirement & Other benefits to employees

Gratuity :

In accordance with the Payment of Gratuity Act, 1972, the company provides for gratuity, a defined benefit retirement plan covering eligible employees. The plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the company subject to conditions specified in aforesaid act.

Provident Fund :

Eligible employees receive benefits of provident fund, which is a defined benefit plan. Both the employee and the Company makes monthly contribution to the provident fund plan equal to a specified percentage of the covered employee's salary. The rate at which the annual interest is payable to the beneficiaries is being administered by the government.

Compensated Absence :

The employees of the Company are entitled to compensate absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absence is measured based on the additional amount expected to be paid as a result of the unused entitlement that has accumulated at the Balance Sheet date. Expenses on non-accumulating compensated absences are recognized in the period in which the absences occur.

8. Foreign Currency Transactions

Investments in foreign entities are recorded at the exchange rate prevailing on the date of making the investment. Transactions in foreign currencies are recorded at the rates prevailing on the date of transaction.

Monetary items denominated in foreign currency are restated at the rate prevailing on the balance sheet date. Exchange difference arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year or reported in the previous financial statements, are recognized as income or expense in the year in which they arise except in case of long term liabilities, where they related to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

9. Taxes

Tax expense comprises of current tax, related to earlier years & deferred tax.

Income tax is accrued in the same period that the related revenue and expenses arise. A provision is made for income tax annually, based on the tax liability computed, after considering tax allowances & exemption. Provisions are recorded when it is estimated that a liability due to disallowances or other is probable.

The difference that result between the profit considered for income taxes and the profit as per the financial statements are identified, and thereafter a deferred tax asset or deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of aggregate amount of timing difference. The tax effect is calculated on the accumulated timing difference at the end of an accounting period based on enacted or substantively enacted regulations. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

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Tax credit is recognized in respect of Minimum Alternate Tax ('MAT') as per the provisions of Section 115JAA of the Income Tax Act, 1961 based on convincing evidence that the Company will pay normal income tax within statutory time frame and is reviewed at each Balance Sheet date. The MAT credit is recognized as an asset in accordance with the recommendation provided in the Guidance Note issued by the Institute of Chartered Accountants of India.

10. Earning per Share

Basic earnings per share is 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.

For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period adjusted for the effects of all dilutive potential equity shares.

11. Investments

Investments are classified as long term based on Management's intention at the time of purchase. Cost for overseas investment comprises the Indian Rupee value of the consideration paid for the investment translated at the exchange rate prevalent at the date of investment. Long-term investments are carried at cost less provisions recorded to recognize any decline, other than temporary, in the carrying value of each investment.

12. Impairment of assets

The company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimated the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit & loss account. If at the balance sheet date there is an indication that if a previously assessed impaired loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historic cost.

13. Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit before tax and extra ordinary items are adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of present or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

14. Inventories

Stores, spares (consumable & capital) parts & other consumables are valued at cost on First-in-first-out basis.

15. Segment Data

The company considers its principal activity of providing oil and natural gas exploitation services to be a complete segment and all revenues for the year ended 31st March 2013 have been derived from this segment.

16. Borrowing Costs

Borrowing Cost that are directly attributable to the acquisition, construction or production of a qualifying asset, is capitalized as part of the cost of that asset in accordance with the Accounting Standard 16 on "Borrowing Costs". Other borrowing costs are charged to revenue.

17. Events occurring after the Balance sheet date

Where material, events occurring after the date of the Balance Sheet are considered upto the date of approval of accounts by the Board of Directors.

Note	Particulars	As at 31st March	
		2013 (₹)	2012 (₹)
2	Share Capital		
	(a) Authorized :		
	7,00,00,000 (Previous Year 7,00,00,000)		
	Equity shares of ₹ 10/- each	700,000,000	700,000,000
	5,00,000 (Previous Year 5,00,000) 11%		
	Redeemable Non Convertible Preference shares		
	of ₹ 100/- each	50,000,000	50,000,000
		<u>750,000,000</u>	<u>750,000,000</u>
	(b) Issued, Subscribed & Paid-up		
	4,63,60,501 Equity shares (Previous Year - 4,63,60,501)		
	of ₹ 10/- each fully paid	463,605,010	463,605,010
		<u>463,605,010</u>	<u>463,605,010</u>
	(c) Terms/ Rights attached to shares		
	The company has only one class of Equity Shares having face value of ₹ 10/- per share. Each shareholder is eligible for one vote per share. The dividend proposed by the board of Directors, if any, is subject to the approval of shareholders. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amount, in proportion to their shareholding.		
	(d) Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period		
	Particulars	<u>2012 - 13</u>	<u>2011 - 12</u>
	Shares as on 1st April	46,360,501	46,360,501
	Add : Shares issued during the year	-	-
	Less : Shares forfeited/bought back during the year	-	-
	Shares as on 31st March	<u>46,360,501</u>	<u>46,360,501</u>
	(e) 4,29,000 (Previous Year - 4,29,000) Equity shares of ₹ 10/- each are held by M/s. Shiv Vani Oil Services Limited (a wholly owned subsidiary company). This forms part of promoters holding.		
	(f) Details of shares held by share holders more than 5% of the aggregate shares in the company		
	Name of share holder	As at 31st March 2013	As at 31st March 2012
		No of shares held & % of holding	No of shares held & % of holding
	No of shares held & % of holding		
	Templeton Strategic Emerging Markets Fund III LDC	37,07,895 8% holding	37,07,895 8% holding
	(g) Information regarding issue of shares in the last five years		
	(a) The Company has not issued any shares without payment received in cash		
	(b) The Company has not issued any bonus shares		
	(c) The Company has not undertaken any buy back of shares		

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Note	Particulars	As at 31st March	
		2013 (₹)	2012 (₹)
3	<u>Reserves & Surplus</u>		
	a) General Reserve		
	Balance as per last account	460,000,000	410,000,000
	Add : Transferred from surplus	40,000,000	50,000,000
	Add : Transferred from Debenture Redemption Reserve	2,500,000,000	-
		<u>3,000,000,000</u>	<u>460,000,000</u>
	b) Securities Premium Account		
	Balance as per last account	4,375,026,333	4,580,207,331
	Less : Premium for redemption of Debentures	(51,188,896)	(151,661,104)
	Less : Premium for redemption of FCCB	(39,355,714)	(53,519,894)
		<u>4,284,481,723</u>	<u>4,375,026,333</u>
	c) Capital Redemption Reserve		
	Balance as per last account	50,000,000	50,000,000
	d) Capital Reserve (On Equity Shares & Warrants Forfeiture)		
	Balance as per last account	396,025,500	396,025,500
	f) Debenture Redemption Reserve		
	Balance as per last account	2,500,000,000	-
	Add : Transferred from surplus	-	2,500,000,000
	Less : Transferred to General Reserve	(2,500,000,000)	-
		<u>-</u>	<u>2,500,000,000</u>
	e) Surplus as per statement of Profit & Loss		
	Balance brought forward	1,732,954,323	3,645,169,348
	Add : Profit after tax for the year	376,542,960	691,666,310
	Less : Transferred to General reserve	(40,000,000)	(50,000,000)
	Less : Transferred to Debenture Redemption Reserve	-	(2,500,000,000)
	Less : Proposed Dividend	-	(46,360,501)
	Less : Tax on Proposed Dividend	-	(7,520,832)
		<u>2,069,497,284</u>	<u>1,732,954,325</u>
4	<u>Long Term Borrowings</u>		
	<u>Secured</u>		
	<u>Debentures</u>		
	Privately placed 6% Optional Convertible Debentures are secured by 1st pari passu charge over Movable Fixed Assets of the company. The same were redeemed during the year	-	2,500,000,000
	Less : Current Maturities	-	(2,500,000,000)
	Sub-total (a)	<u>-</u>	<u>-</u>

Note	Particulars	As at 31st March	
		2013 (₹)	2012 (₹)
	<u>Term Loans</u>		
	From Banks (Rupee Loans)	14,221,177,160	9,478,203,667
	From Banks (Foreign Currency Loans)	2,017,727,888	2,346,221,560
	From Other Parties	3,534,810,708	3,002,679,432
		19,773,715,756	14,827,104,659
	Less : Current Maturities	4,771,000,000	3,261,640,000
	Sub-total (b)	15,002,715,756	11,565,464,659
	<u>Unsecured</u>		
	<u>Bonds</u>		
	80,000 Bonds (P.Y. 80,000 Bonds) 5% Foreign Currency Convertible Bonds of USD 1000 each	3,728,742,500	3,728,742,500
	Add : Currency Translation	622,401,500	363,777,500
		4,351,144,000	4,092,520,000
	<u>Others</u>	518,300,000	52,587,508
	<u>Deferred Payment Liabilities</u>		
	(Vehicle Loan from ICICI Bank Ltd at 11.17% of interest rate. The company has issued post dated cheques payable at ₹ 19,932/- p.m. upto 01st May 2015)	457,824	-
	Sub-total (c)	4,869,901,824	4,145,107,508
	Total (a + b + c)	19,872,617,580	15,710,572,167

Nature of Security and terms of repayment of Long Term Secured Loans*

Nature of Security***	Rs. In Crores		
	Banks	Financial Institution	Total
Exclusive Charge on Plant & Machinery and Specific Assets financed **	210.73 (148.35)	-	210.73 (148.35)
Pari passu first Charge created / to be created on the entire Fixed Assets of the Company **	1488.15 (1034.09)	278.49 (300.27)	1766.64 (1334.36)
Total	1698.88 (1182.44)	278.49 (300.27)	1977.37 (1482.71)

* The figures mentioned in brackets pertain to previous year

** Includes Loans aggregating to ₹ 552.60 Crores (P.Y. - 291.76 Crores) also secured by way of pledge of 62,05,000 (P.Y. - 1,15,75,000) shares of the company being part of Promoters stake

***All the above borrowings from Banks & Financials institutions are further secured by personal guarantees of promoter directors.

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Terms of Repayment of Secured Term loans*

Particulars	Rate of Interest **	Rs. In Crores				
		1-2 Years	2-3 Years	3-4 Years	Beyond 4 years	Total
Rupee Term Loans from banks	13.50% - 15.50% (11.60% - 15.00%)	256.01 (244.17)	234.26 (211.45)	200.33 (121.52)	456.39 (123.92)	1146.99 (701.06)
Foreign Currency Term Loans from banks ***	3.75% - 10.75% (3.75% - 6.45%)	30.08 (58.38)	43.84 (64.39)	48.42 (31.43)	46.21 (37.53)	168.55 (191.73)
Rupee Term Loans from Financial Institutions	13.00% - 14.00% (12.75% - 13.25%)	75.39 (82.63)	74.46 (89.06)	34.88 (78.71)	- (13.36)	184.73 (263.76)
Total		361.48 (385.18)	352.55 (364.90)	283.63 (231.66)	502.60 (174.81)	1500.27 (1156.55)

* The figures mentioned in brackets pertain to previous year

** Rate of Interest is floating in nature and is as per sanction letters as amended from time to time.

*** Loan amounting to ₹ 95.16 Crores has been rescheduled for repayment

Nature of Security and terms of repayment of Long Term Unsecured Loan - Bonds

- a) During the year ended 31st March 2011, the company has issued 80,000 - 5% Foreign Currency Convertible Bonds (FCCB) of US \$ 1000 each aggregating to US \$ 80 million. These bonds are convertible at the option of the Bond Holders into equity shares of ₹ 10 each fully paid up at the conversion price of ₹ 515.60 per share calculated at a fixed rate of exchange of ₹ 47.08 for US \$ 1 prior to the close of the business hours on 17/08/2015. As on the date of balance sheet FCCB for US \$ 80 Million were outstanding. Upon conversion of all the bonds into equity shares, the Share Capital of the company will increase by 73,04,888 Shares subject to adjustments upon occurrence of certain events. Unless previously converted, the Bonds shall be redeemable on or before 17/08/2015 at 104.22% of their principal amount. The redemption value of these Bonds as on 31st March, 2013 was 102.31% (Previous year - 101.31%).
- b) Pending utilization of the issue proceeds of Foreign Currency Convertible Bonds (FCCB), an amount of ₹ 0.65 Crores (Previous Year ₹ 0.61 Crores) is lying in Foreign Currency Current and Deposit Accounts. During the current year, out of issue proceeds, ₹ Nil (Previous Year - ₹ 185.63 Crores) have been utilized for financing capital expenditure and ₹ Nil (Previous year ₹ 3.58 Crores) for Loans to Subsidiary Companies for repayment of foreign currency loans availed them.

Note	Particulars	As at 31st March	
		2013 (₹)	2012 (₹)
5	Deferred Tax Liabilities (Net)		
	Deferred Tax liability for the period ended March 31, 2013 has been provided on the estimated tax computation for the year.		
	As per last account	1,676,658,503	1,338,007,491
	Add : Transferred from statement of profit & loss	39,981,679	338,651,012
	Closing Balance	<u>1,716,640,182</u>	<u>1,676,658,503</u>
6	Other Long Term Liabilities		
	Retention Money	2,765,941	2,857,926
	Deposits from parties	1,191,528	1,731,538
		<u>3,957,469</u>	<u>4,589,464</u>
7	Long term Provisions		
	Provision for Employees Benefit	3,293,708	5,359,390
	Provision for redemption premium (Bonds)	92,875,608	53,519,894
		<u>96,169,316</u>	<u>58,879,284</u>

Note	Particulars	As at 31st March	
		2013 (₹)	2012 (₹)
8	Short term borrowings		
	Secured		
	Cash Credit Loans - Working Capital from Banks	2,513,876,340	2,114,127,978
	Unsecured		
	From Banks repayable on demand [Rate of Interest - Nil (P.Y. 14.45%)]	-	282,895,445
	Overdraft from Banks repayable on demand [Rate of Interest - 12% (P.Y. - Nil)]	246,817,652	
		<u>2,760,693,992</u>	<u>2,397,023,423</u>
	Disclosure of Security on Secured borrowings		
	Working capital loans from banks are secured by way of hypothecation of stocks of consumable stores and spares and book debts of the company, both present and future and also Ind charge on Plant & Machinery except on specific Plant & Machinery of ₹ 1.89 Crores (net) [P.Y. ₹ 1.99 Crores (net)] exclusively charged to State Bank of India. These Working Capital Loans are further secured against pledge of 22,24,400 Equity Shares [P.Y. 2,759,400] of the Company being part of Promoters stake.		
9	Trade & Other Payables		
	Total outstanding due to :		
	Micro, Small & Medium Enterprises *	-	-
	Advance from Customers	32,435,922	-
	Others Payables **	2,795,156,380	1,927,402,729
		<u>2,827,592,302</u>	<u>1,927,402,729</u>
	* As per information available with the company		
	** Includes Nil (P.Y. - ₹ 2 Crores) due to Directors & ₹ 57.23 Crores (P.Y. - ₹ 45.37 Crores) due to Subsidiaries.		
10	Other Current Liabilities		
	Current Maturities of Debentures	-	2,500,000,000
	Current Maturities of Long Term loans	4,771,000,000	3,261,640,000
	Interest accrued on borrowings	598,243,702	322,010,949
	Unpaid Dividend	4,652,892	2,507,919
	Other liabilities	2,146,380,068	2,145,591,004
		<u>7,520,276,661</u>	<u>8,231,749,872</u>
11	Short Term Provisions		
	Gratuity (Funded)	47,393,306	37,068,502
	Provision for redemption premium (Debentures)	-	151,661,104
	Proposed Dividend	-	46,360,501
	Dividend Distribution tax on proposed dividend	-	7,520,832
	Provision for Income Tax	1,005,340,000	851,440,000
	Others	7,520,832	-
		<u>1,060,254,138</u>	<u>1,094,050,939</u>

12 FIXED ASSETS

Particulars	Gross Block				Depreciation				Net Block	
	Cost As at 01.04.2012	Additions	Deductions / Adjustments	Cost as at 31.03.2013	Upto 31.03.2012	For the year	Deductions / Adjustments	As at 31.03.2013	As at 31.03.2013	As at 31.03.2012
	(₹)	(₹)	(₹)	(₹)	(₹)	(₹)	(₹)	(₹)	(₹)	(₹)
Tangible Assets										
Building	213,876,295	-	-	213,876,295	11,329,806	3,486,140		14,815,946	199,060,349	202,546,489
Plant & Machinery	23,164,124,252	3,879,974,461	121,870,334	26,922,228,379	4,357,951,920	1,131,672,042	88,430,511	5,401,193,451	21,521,034,928	18,806,172,332
Furniture & Fixtures	43,175,341	223,190	7,223,265	36,175,266	11,008,994	2,209,045	2,550,699	10,667,340	25,507,926	32,166,347
Computers	63,447,009	404,460	2,198,238	61,653,231	39,182,598	7,471,020	1,853,402	44,800,216	16,853,015	24,264,411
Vehicles	86,933,619	865,328	17,726,379	70,072,568	72,761,375	4,751,633	17,621,831	59,891,177	10,181,391	14,172,244
Office Equipments	71,768,480	978,445	8,786,187	63,960,738	12,648,548	3,048,027	2,715,255	12,981,320	50,979,418	59,119,932
Capital work in Progress	3,777,148,255	5,527,521,681	4,122,518,444	5,182,151,492	-	-	-	-	5,182,151,492	3,777,148,255
Total	27,420,473,251	9,409,967,565	4,280,322,847	32,550,117,969	4,504,883,241	1,152,637,907	113,171,697	5,544,349,451	27,005,768,518	22,915,590,010
Previous Year	23,472,785,039	3,985,065,097	37,376,885	27,420,473,251	3,441,895,922	1,065,096,913	2,109,594	4,504,883,241	22,915,590,010	20,030,889,122

13 Non-current investments

In Equity shares - Unquoted - Trade	As at 31st March							
	2013				2012			
	Face Value	Paid up	Nos.	Amount in INR	Face Value	Paid up	Nos.	Amount in INR
a) Investment in Subsidiaries (At Cost)								
Shiv Vani Oil & Gas Co. LLC, Oman	OMR 1	Fully	495,000	57,795,111	OMR 1	Fully	495,000	57,795,111
Oriental Oil & Natural Gas Ltd., Mauritius	USD 1	Fully	34,000	1,536,150	USD 1	Fully	34,000	1,536,150
Natural Oil & Gas Services Ltd., Mauritius	USD 1	Fully	1	51	USD 1	Fully	1	51
Shiv Vani Singapore PTE Ltd., Singapore	SGD 1	Fully	100	3,103	SGD 1	Fully	100	3,103
Global Exploration PTE Ltd., Singapore	SGD 1	Fully	1	54	-	-	-	-
Shiv Vani Oil Services Ltd., India	Rs. 10	Fully	1,000,000	10,000,000	Rs. 10	Fully	1,000,000	10,000,000
TNG Shiv Geo Services Ltd., India	Rs. 10	Fully	25,500	255,000	Rs. 10	Fully	25,500	255,000
Shiv Vani Energy Ltd., India	Rs. 10	Fully	50,000	500,000	Rs. 10	Fully	50,000	500,000
Shiv Vani Infra Ltd., India	Rs. 10	Fully	50,000	500,000	Rs. 10	Fully	50,000	500,000
Total (A)				<u>70,589,469</u>				<u>70,589,415</u>
b) Investment in Other (At Cost)								
Equipment Conductors & Cables Ltd., India	Rs. 10	Fully	4,300	43,000	Rs. 10	Fully	4,300	43,000
Neutral Engineers Ltd., India	Rs. 10	Fully	110,000	1,100,000	Rs. 10	Fully	110,000	1,100,000
Parasram Puria Synthetics Ltd., India **	Rs. 10	Partly	5,000	25,000	Rs. 10	Partly	5,000	25,000
Om Shivay Real Estate Pvt. Ltd., India	Rs. 10	Fully	180,000	1,800,000	Rs. 10	Fully	180,000	1,800,000
Immortal Vintrade Pvt. Ltd., India	Rs. 10	Fully	2,600	26,000	Rs. 10	Fully	2,600	26,000
Total (B)				<u>2,994,000</u>				<u>2,994,000</u>
** The shares are partly paid-up of ₹ 5/- each								
Total of investment in equity shares (C)			(A + B)	<u>73,583,469</u>				<u>73,583,415</u>
In Redeemable Preference shares - Unquoted - Trade								
a) Investment in Subsidiary (At Cost)								
Natural Oil & Gas Services Ltd., Mauritius	USD 1	Fully	1,140,000	492,709,774	USD 1	Fully	1,140,000	492,709,774
Total of investment in preference shares (D)				<u>492,709,774</u>				<u>492,709,774</u>
In Units of Mutual Funds - Quoted - Trade								
** SBI Infrastructure Fund (at Cost)	-	-	-	-	-	-	200,000	2,000,000
** SBI Magnum Balance Fund - Regular Plan - Growth (at Cost)	-	-	39,871.88	2,500,000	-	-	-	-
** SBI SHF Ultra Short Term Fund (at Cost)	-	-	-	-	-	-	427.23	500,000
Total of investments in Mutual fund / s (E)				<u>2,500,000</u>				<u>2,500,000</u>
Total Non Current Investments			(C + D + E)	<u>568,793,243</u>				<u>568,793,189</u>
		Book value	Market Value			Book value	Market Value	
Aggregate of Quoted Investment / s		2,500,000	2,174,185			2,500,000	2,151,164	
Aggregate of Unquoted Investments		<u>566,293,243</u>	-			<u>566,293,189</u>	-	
		<u>568,793,243</u>	<u>2,174,185</u>			<u>568,793,189</u>	<u>2,151,164</u>	
** Change in fund & units due to switch out and switch in between the funds								

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Note	Particulars	As at 31st March	
		2013 (₹)	2012 (₹)
14	<u>Long-term Loans and Advances</u>		
	a) <u>Capital Advances</u>		
	Unsecured - considered good	2,765,177,249	3,098,331,481
	b) <u>Security Deposits</u>		
	Unsecured - considered good	92,304,512	93,488,875
	c) <u>Loans & Advances</u>		
	Unsecured - considered good To Subsidiaries	1,508,129,696	647,267,635
		<u>4,365,611,457</u>	<u>3,839,087,991</u>
15	<u>Other Non-Current assets</u>		
	Credit Entitlement of Minimum Alternate Tax (MAT)	242,010,649	440,873,571
	Others	87,323,912	145,004,108
		<u>329,334,561</u>	<u>585,877,679</u>
16	<u>Inventories</u>		
	Stores, Spares, Consumables & Chemicals - At cost	2,804,147,672	2,172,469,859
	Value of Incompleted jobs on estimated cost	30,099,823	-
	Scrap - At realisable value	3,776,248	6,364,300
	Goods in Transit - At cost	2,973,479	18,215,094
		<u>2,840,997,222</u>	<u>2,197,049,254</u>
17	<u>Trade Receivables</u>		
	(Unsecured - Considered good)		
	Outstanding for a period exceeding six months	2,165,194,289	1,247,509,486
	Others	4,059,039,729	4,626,084,796
		<u>6,224,234,018</u>	<u>5,873,594,282</u>
18	<u>Cash & Bank Balances</u>		
	a) <u>Cash & Cash Equivalents</u>		
	Cash in Hand	4,604,595	5,392,123
	Current accounts with banks in Indian Rupees	66,603,980	300,301,109
	Current accounts with banks in Foreign Currency	5,346,472	5,028,685
	Sub - total (a)	<u>76,555,047</u>	<u>310,721,918</u>

Note	Particulars	As at 31st March	
		2013 (₹)	2012 (₹)
b)	Other Bank Balances		
	Earmarked balances with banks	67,759	9,161,623
	Unclaimed dividend account	2,496,273	2,508,919
	Bank deposits with maturity less than 3 months at inception **	205,598,681	207,600,751
	Bank deposits with maturity more than 3 months but less than 12 months at inception **	9,608,334	51,044,074
	Bank deposits with maturity more than 3 months but less than 12 months at inception - Foreign Currency	1,146,258	1,058,182
	Bank deposits with maturity more than 12 months at inception **	232,088,846	316,415,584
	Sub - total (b)	451,006,150	587,789,133
	Total (a + b)	527,561,198	898,511,051
	** Includes deposits of ₹ 44,72,95,861/- (P.Y. ₹ 34,34,16,648/-) are under lien being margin on bank gurantees.		
19	<u>Short Term Loans & Advances</u>		
	<u>Secured</u>		
	Advances and other Receivables	1,360,600	10,789,613
	<u>Unsecured - considered good</u>		
	Advances and other Receivables	818,812,249	1,126,890,854
	Others	1,386,476,505	1,117,237,136
		2,206,649,354	2,254,917,603
20	<u>Other Current Assets</u>		
	Income tax deducted at Source & taxes paid	1,513,412,192	1,296,566,975
	Works Contract Tax	10,105,988	26,648,530
	Prepaid Expenses	32,139,771	40,850,201
	Others	497,203,638	581,050,786
		2,052,861,588	1,945,116,492

SHIV-VANI OIL & GAS EXPLORATION SERVICES LIMITED

Note	Particulars	For the year ended on	
		31st March, 2013 (₹)	31st March, 2012 (₹)
21	<u>Revenue from Operations</u>		
	Operating Revenue	10,742,412,640	12,593,176,365
		<u>10,742,412,640</u>	<u>12,593,176,365</u>
22	<u>Other Income</u>		
	Interest Income	43,178,368	43,437,223
	Profit on sale of fixed assets	37,014,730	-
	Exchange Gain - net (other than considered as finance cost)	8,707,744	39,756,436
	Other non operating income	22,925,112	206,344,910
		<u>111,825,954</u>	<u>289,538,569</u>
23	<u>Cost of Material Consumed</u>		
	Stores, Spares, Consumables & Chemicals	1,222,008,636	1,405,531,212
	Oils & Lubricants	608,601,849	778,353,445
		<u>1,830,610,484</u>	<u>2,183,884,656</u>
24	<u>Operational Expenses</u>		
	Rigs Rental to Subsidiary Companies	897,378,471	1,768,002,257
	Repairs & Maintenance (Plant & Machinery)	104,374,295	37,529,085
	Other Operation Expenses	2,309,729,773	2,705,533,555
		<u>3,311,482,540</u>	<u>4,511,064,898</u>
25	<u>Employment Benefit Expenses</u>		
	Salaries, Wages, Remuneration, Bonus, Gratuity, other benefits etc.	526,374,883	684,540,872
	Contribution to Provident fund and other funds	25,676,430	28,032,094
	Workmen & Staff welfare expenses	17,559,964	22,902,247
		<u>569,611,277</u>	<u>735,475,213</u>
26	<u>Finance Cost</u>		
	Interest Expenses	2,271,001,469	2,393,798,964
	Others	247,331,859	179,067,139
	Applicable net gain/loss on foreign currency transactions and translations	148,545,453	116,986,663
		<u>2,666,878,781</u>	<u>2,689,852,766</u>
27	<u>Depreciation and Amortization Expenses</u>		
	Depreciation on assets	1,152,637,907	1,065,096,913
	Amortization	57,680,196	57,680,196
		<u>1,210,318,103</u>	<u>1,122,777,109</u>

Note	Particulars	For the year ended on	
		31st March, 2013 (₹)	31st March, 2012 (₹)
28	<u>Other Expenses</u>		
	Rent	50,051,305	41,586,316
	Repair & Maintenance - Others	19,394,565	27,882,600
	Insurance	19,230,357	28,212,268
	Rates & Taxes	7,047,308	10,496,112
	Legal & Professional charges	79,560,607	79,076,137
	Travelling & Conveyance	83,833,156	116,175,662
	Charity & Donations	527,384	1,962,261
	Director's Fees	730,000	780,000
	<u>Auditors Remuneration</u>		
	For Audit fee	3,750,000	3,750,000
	For Consolidated Audit fee	50,000	50,000
	For Tax Audit fee	250,000	250,000
	For Other Matters	2,440,000	1,797,485
	Miscellaneous Expenditure	229,129,996	281,080,646
		<u>495,994,678</u>	<u>593,099,487</u>
29	Contingent Liabilities not provided for in respect of	Amount in (₹)	
		31st March-13	31st March-12
	1 Amount unpaid on Investment in Shares:- - 5,0000 Equity Shares of Parasrampuriah Synthetics Ltd.	35,000	35,000
	2 Counter Guarantees given in respect of Guarantess Issued by the Company's bankers to Oil & Natural Gas Corpn. Ltd (ONGC) and Oil India Ltd (OIL) & other parties (Includes pledge of 9,02,500 shares of the company held by a director and a third party)	3,086,245,009	2,615,096,225
	3 Un-expired Letters of Credit	7,193,719	131,053,680
	4 Corporate Gurantess given to Financial Institutions / Banks for securing financial assistance	5,024,858,615	1,984,827,686
	5 Estimated Value of Capital Commitments (Net of advances)	1,611,801,669	3,441,553,538
	6 Disputed claims/levies (excluding interest if any) in respect of:		
	a Sales Tax demands (*)	1,240,768	1,240,768
	* To be adjusted against refund granted for ₹ 133.86 lacs.		
	b Custom Duty	1,250,000	1,250,000
	c Service Tax Demand	479,531,062	479,531,062
	d Income Tax	339,017,125	-
	7 Cases Pending in Court	3,924,000	3,924,000
30	Other Commitments		
	Lease rental commitments	768,667,283	2,869,927,696
	Export obligation under EC	249,136,171	1,146,913,959
	Director Remuneration	95,000,000	142,500,000

SHIV-VANI OIL & GAS EXPLORATION SERVICES LIMITED

		Amount in (₹)	
		31st March-13	31st March-12
31	External Commercial Borrowings		
	The External Commercial Borrowings [ECBs] outstanding :		
	ICICI (44 M) US\$	1,169,232,889	1,483,451,738
32	C.I.F Value of Imports		
	Stores, Spares & Chemicals	249,422,450	619,512,278
	Capital Goods	65,345,000	44,110,146
	Goods in Transit	Nil	14,698,852
33	Expenditure in Foreign Currency		
	Rig Rental Charges	897,378,471	1,768,002,257
	Interest		
	- Capital nature	221,358,425	200,661,194
	- Others	158,780,862	128,546,310
	Professional Fees	1,377,688	1,345,839
	Travelling Expenses	2,935,080	7,810,928
	Repair & Maintenance	NIL	2,054,996
	Annual Membership Fee & Subscription	NIL	332,379
	Business Promotion Expenses	1,463,737	54,928
	Listing Fee	NIL	1,030,963
	Contract Expenses	70,195,409	412,404,562
34	Earnings in Foreign Currency		
	Contract Revenue (Gross)	512,684,097	364,968,441
	Sale of goods	45,927,302	NIL
	Interest on FDR	21,494	NIL

35 **Information pursuant to clause 32 of the listing agreement with Stock Exchanges**
 Details of Loans & advances in the nature of interest free loan to wholly owned subsidiary companies with no specified payment schedules

Name of Company	Amount in (₹)			
	31st March-13		31st March-12	
	Amount Due(Net)	Max. Amount during the year	Amount Due(Net)	Max. Amount during the year
Shiv-vani Oil & Gas Co. LLC, Muscat-Oman	100,786,724	103,046,380	7,819,255	480,114,738
Oriental Oil & Gas Services Ltd, Mauritius	-	74,192,828	-	98,293,837
Natural Oil & Gas Services Ltd, Mauritius	-	329,797,283	-	368,212,253
Shiv-vani Singapore Pte Ltd., Singapore	401,706,926	401,706,926	25,972,717	25,972,717
Global Exploration Pte Ltd, Singapore	387,600,919	387,600,919	-	-
Shiv-vani Oil Services Ltd., Assam	49,525	49,525	32,025	32,025
TNG Shiv Geo Services Ltd., New Delhi	40,776	40,776	21,026	21,026
Shiv-vani Energy Ltd., New Delhi	602,918,434	612,365,316	598,396,222	651,193,929
Shiv-vani Infra Ltd., New Delhi	15,026,392	15,026,392	15,026,392	15,026,392

36 RELATED PARTY DISCLOSURE

The following is the list of related parties & the relationship therewith:

Subsidiary

Shiv-Vani Oil & Gas Co. LLC, Oman
 Oriental Oil & Gas Services Ltd, Mauritius
 Shiv-Vani Oil Services Ltd. India
 TNG Shiv Geo Services Ltd, India
 Shiv-Vani Singapore PTE. Ltd, Singapore
 Natural Oil & Gas Services Ltd, Mauritius
 Shiv-Vani Energy Limited, India
 Shiv-Vani Infra Ltd, India
 Global Exploration Pte Ltd, Singapore

Relative of Key Management Personnel having control or significant influence over the company by reason of voting power

Name of Key Personnel

Prem Singhee (Chairman and Managing Director)
 Padam Singhee (Joint Managing Director)
 Prakash Singhee (President - Technical)
 Mayank Singhee (Vice President - Projects)

37 The Company has the following transactions with related parties

Name of Party	Description of Transaction	Amount in (₹)	
		March-13	March-12
Shiv-vani Oil & Gas Co. LLC, Muscat-Oman	Loan/(Loan Repayment)	88,343,891	(516,469,856)
Oriental Oil & Gas services Ltd., Mauritius	Lease Rent	135,359,325	559,908,485
	Loan/ Loan Repayment	112,870,491	(136,971,500)
Natural Oil & Gas Services Ltd., Mauritius	Lease Rent	762,019,156	1,208,093,772
	Loan/ Loan Repayment	(146,257,900)	(90,805,410)
Shiv-vani Oil Services Ltd., New Delhi	Advance	17,500	27,150
TNG Shiv Geo Services Ltd., New Delhi	Advance	19,750	11,884
Shiv-vani Energy Ltd., New Delhi	Loan/(Loan Repayment)	4,522,212	(22,729,078)
Shiv-vani Infra Ltd.	Advance	0	15,026,392
Shiv-Vani Singapore Pte.Ltd ,Singapore	Loan	362,506,711	Nil
Shiv-Vani Singapore Pte.Ltd ,Singapore	Sale of Goods	10,780	Nil
Global Exploration Pte Ltd, Singapore	Loan	387,388,980	Nil
Global Exploration Pte Ltd, Singapore	Investment	54	Nil
Prem Singhee	Loan	40,000,000	Nil
Padam Singhee	Loan	40,000,000	Nil
Prakash Singhee	Loan	5,000,000	Nil
Mayank Singhee	Loan	23,000,000	Nil
Prem Singhee	Director		
	Remuneration	35,620,139	31,202,990
Padam Singhee	Director		
	Remuneration	28,604,497	27,328,284
Prakash Singhee	Salary	15,385,416	16,011,590
Mayank Singhee	Salary	2,727,600	2,144,600

SHIV-VANI OIL & GAS EXPLORATION SERVICES LIMITED

38 OTHERS

1. Loss on insurance claims filed if any are accounted for at the time of receipt of claims.
2. The company has adopted an approved plan for the payment of gratuity based on actual valuation carried by Life Insurance Corporation of India. The liability towards the same has been accounted for accordingly.
3. The registration of leasehold building acquired is in process.
4. Premium on redemption of bonds / debentures are adjusted against the Securities Premium Account.
5. Unsecured Loan from others includes Rs. 80,000,000/- (Previous Year - Rs. Nil)
6. The company has during the year imported stores & spares ₹ 222,719,948/- (Previous year ₹. 582,121,400/-) under Essentially Certificate issued by Directorate General of Hydrocarbon, New Delhi for availing zero duty.
7. The cost in respect of old unusable fixed assets impaired amounting to ₹ 75,227,690 (Previous Year ₹ Nil) has been reduced from the gross block.
8. The company has not received any intimation from 'Suppliers' regarding their status under the Micro, Small & Medium Enterprises Development Act, 2006 and hence no disclosure as required by Schedule VI of the Companies Act, 1956 has been provided.
9. There are no amounts due and outstanding to be credit to Investor's Education and Protection Fund.
10. In the opinion of the Board and to the best of their knowledge and belief, the value on realization of current assets, loans and Advances in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet.
11. Balance appearing in Sundry Debtors / Creditors and Loans & Advances are subject to confirmation.
12. Figures of the previous year are regrouped and reclassified wherever necessary to correspond with the figures of the current year.

39 Earning per share

BASIC EARNING PER SHARE

Particulars	Amount in (₹)	
	2012-13	2011-12
a) Numerator		
Net Profit after taxation as per profit & loss a/c	376,542,960	691,666,310
b) Denominator		
No. of Equity Shares outstanding	46,360,501	46,360,501
Weighted average of No. of equity shares outstanding		
Basic earning per share	8.12	14.92
Face value per equity share	10	10

DILUTED EARNING PER SHARE

Particulars	Amount in (₹)	
	2012-13	2011-12
a) Numerator		
Adjusted after taxation as per profit & loss a/c	376,542,960	793,276,433
b) Denominator		
No. of Equity Shares outstanding	53,665,389	58,013,215
Weighted average of No. of equity shares outstanding		
Basic earning per share	7.02	13.67
Face value per equity share	10	10

As per our report of even date
for **Vijay Prakash Gupta & Associates**
Chartered Accountants
Firm Reg.No. : 005570N

Vikas Varshney
Partner
M.No. 510929

New Delhi
May 30, 2013

For and on behalf of the Board

Prem Singhee - Chairman & Managing Director

Padam Singhee - Joint Managing Director

Rajan Gupta - Chief Financial Officer

Vimal Chadha - Company Secretary



Consolidated Financial Statements

2012-2013

REPORT OF AUDITORS ON THE CONSOLIDATED FINANCIAL STATEMENTS

To the board of directors

SHIV-VANI OIL & GAS EXPLORATION SERVICES LTD

We have audited the attached consolidated Balance Sheet of SHIV-VANI OIL & GAS EXPLORATION SERVICES LTD. and its Subsidiaries as at 31st March 2013 and also the consolidated Profit and Loss Account and the consolidated Cash Flow Statement for the year ended on that date annexed thereto (together referred to as consolidated Financial Statements). These financial statements are the responsibility of the management of Shiv-Vani Oil & Gas Exploration Services Ltd. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principals used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We did not audit the financial statement of the subsidiaries whose financial statements reflects total assets of Rs.21407851434 as at 31st March, 2013 and total revenue of Rs.2663437661 for the year ended on that date (these figures include intra-group transactions eliminated on consolidation). These financial statements have been audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included in respect of the subsidiaries, is based solely on the other auditors.

We report that the consolidated financial statement have been prepared by the Company in accordance with the requirement of the Accounting Standard (AS-21) issued by the Institute of Chartered Accountants of India .On the basis of information and explanations given to us and on the consideration of the separate audit reports on individual audited financial statements of Shiv-Vani Oil & Gas Exploration Services Ltd .and its subsidiaries and subject to note no 32 (i) regarding higher provision of depreciation by Rs.10362740, we are of the opinion that:

- (a) In the case of the Consolidated Balances Sheet, of the state of affairs of the Group as at 31st March,2013;
- (b) In the case of the Consolidated Profit and Loss Account, of the profit of the Group for the year ended on that date; and
- (c) In the case of the Consolidated Cash Flow statement, of the cash flows of the Group for the year ended on that date.

For **Vijay Prakash Gupta & Associates**
Chartered Accountants
Firm Reg. No. : 005570N

Vikas Varshney
Partner
Membership No.510929

New Delhi
May 30, 2013

SHIV-VANI OIL & GAS EXPLORATION SERVICES LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2013

Particulars	Note	As at March 31, 2013 (₹)	As at March 31, 2012 (₹)
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2	463,605,010	463,605,010
(b) Reserves and Surplus	3	14,290,491,680	14,905,516,365
Minority Interest		164,266	169,930
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	4	28,138,672,617	20,583,785,384
(b) Deferred Tax Liabilities (Net)	5	1,715,219,869	1,676,658,503
(c) Other Long Term Liabilities	6	3,957,469	4,589,464
(d) Long Term Provisions	7	114,907,788	75,333,838
(3) Current Liabilities			
(a) Short-Term Borrowings	8	2,760,693,992	2,397,023,423
(b) Trade Payables	9	4,078,155,161	1,919,753,438
(c) Other Current Liabilities	10	7,870,856,109	9,509,888,030
(d) Short-Term Provisions	11	1,096,798,223	1,123,725,000
Total Equity & Liabilities		60,533,522,184	52,660,048,385
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets	12		
(i) Tangible Assets		35,384,463,247	28,828,592,320
(ii) Capital Work in progress		5,182,151,490	3,988,258,261
(b) Non-Current Investments	13	575,244,000	15,244,000
(c) Long term Loans and Advances	14	2,873,222,895	3,767,298,569
(d) Other Non-Current Assets	15	494,301,312	751,087,344
(2) Current Assets			
(a) Inventories	16	2,893,810,212	2,242,587,530
(b) Trade Receivables	17	7,443,535,214	6,695,648,317
(c) Cash and Bank Balances	18	1,160,171,869	1,624,302,048
(d) Short-Term Loans and Advances	19	2,453,851,069	2,714,371,374
(e) Other Current Assets	20	2,072,770,877	2,032,658,622
Total Assets		60,533,522,184	52,660,048,385
Significant Accounting Policies	1		

As per our report of even date
for **Vijay Prakash Gupta & Associates**
Chartered Accountants
Firm Reg.No. : 005570N

Vikas Varshney
Partner
M.No. 510929

New Delhi
May 30, 2013

For and on behalf of the Board

Prem Singhee - Chairman & Managing Director

Padam Singhee - Joint Managing Director

Rajan Gupta - Chief Financial Officer

Vimal Chadha - Company Secretary

CONSOLIDATED PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2013

Particulars	Note	For the year ended March 31, 2013 (₹)	For the year ended March 31, 2012 (₹)
I Revenue from operations	21	12,395,078,627	14,840,316,541
Other Income	22	127,978,715	322,530,798
Total Revenue (I)		12,523,057,342	15,162,847,339
II Expenses:			
Cost of materials consumed	23	1,914,286,069	2,270,773,036
Operational Expenses	24	3,206,521,956	3,871,137,140
Employee Benefit Expense	25	1,032,161,916	1,045,260,360
Financial Cost	26	3,221,181,394	3,066,199,402
Depreciation and Amortization Expenses	27	1,843,145,353	1,670,463,030
Other Expenses	28	654,169,563	764,120,136
Total Expenses (II)		11,871,466,251	12,687,953,104
III Profit before tax (I - II)		651,591,091	2,474,894,235
Add : Minority Interest		5,664	8,796
Add : Exceptional Items - Prior Period adjustments		-	75,037
		651,596,755	2,474,978,068
IV Tax expense:			
(1) Tax relating to previous years		55,170	457,232
(2) Current tax		189,867,097	236,516,121
Add : MAT credit utilized / (available)		198,862,922	(193,613,749)
(3) Net Deferred tax Liability		38,561,366	338,651,012
V Profit for the period (III - IV)		224,250,200	2,092,967,452
VI Earning per equity share:			
(1) Basic		4.84	45.15
(2) Diluted		4.18	37.83
Significant Accounting Policies	1		

As per our report of even date
for **Vijay Prakash Gupta & Associates**
Chartered Accountants
Firm Reg.No. : 005570N

Vikas Varshney
Partner
M.No. 510929

New Delhi
May 30, 2013

For and on behalf of the Board

Prem Singhee - Chairman & Managing Director

Padam Singhee - Joint Managing Director

Rajan Gupta - Chief Financial Officer

Vimal Chadha - Company Secretary

SHIV-VANI OIL & GAS EXPLORATION SERVICES LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

Particulars	March 31, 2013 (₹)	March 31, 2012 (₹)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and extraordinary items	651,596,755	2,474,978,068
Adjustment for:		
1. Depreciation	1,785,465,157	1,612,782,834
2. Deferred Revenue Expenditure	57,680,196	57,680,196
3. Investments (Interest Income)	(46,106,893)	(43,438,756)
4. Interest Expenditure	2,978,167,979	2,949,212,739
5. (Profit) / Loss on Sale of Fixed Assets	(37,246,188)	2,483,091
6. (Profit) / Loss on Sale of Sraps	(1,635,700)	-
7. Fixed Assets w/off.	-	-
Operating Profit before Working Capital Charges	5,387,921,306	7,053,698,172
1. Trade & Other Receivables	603,505,463	(1,737,232,327)
2. Inventories	(651,222,682)	(213,863,691)
3. Trade Payable & Provisions	523,274,376	4,225,600,346
Cash Generation From Operations	5,863,478,463	9,328,202,500
1. Interest paid	(2,978,167,979)	(2,949,212,739)
2. Direct Taxes Paid	(246,948,805)	(290,584,494)
	2,638,361,679	6,088,405,267
Cash Flow Before Extra Ordinary Items		
1. Extraordinary items	(748,785,446)	(650,998,092)
Net cash From Operating Activities	1,889,576,233	5,437,407,175
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed assets (net)	(9,825,367,205)	(4,200,773,306)
Sale / Adjustment of fixed assets	67,001,761	33,810,976
Interest Received	46,106,893	43,438,756
Purchase of Investments	(560,000,000)	(26,000)
Net Cash From Investing Activities	(10,272,258,551)	(4,123,549,574)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long and short term borrowings	7,918,557,802	(2,941,861,627)
Change in Minority Interest	(5,664)	(8,796)
Misc. Expenditure	-	(29,686)

Net cash flow from financing activities	7,918,552,138	(2,941,900,109)
Net Increase In cash and Cash Equivalents	(464,130,180)	(1,628,042,508)
Cash and cash equivalents at the beginning	1,624,302,049	3,252,344,557
Cash and cash equivalents at the closing	1,160,171,869	1,624,302,049

For and on behalf of the Board

Prem Singhee - Chairman & Managing Director

Padam Singhee - Joint Managing Director

Rajan Gupta - Chief Financial Officer

Vimal Chadha - Company Secretary

Auditors' certificate

We have examined the attached consolidated cash flow statement of Shiv Vani Oil & Gas Exploration Services Ltd for the year ended 31st March, 2013. The Statement has been prepared by the Company in accordance with the requirements of the listing agreement clause 32 with the stock exchanges and in agreement with the corresponding Profit & Loss account and Balance Sheet of the Company covered by our report of even date to the members of the Company.

for **Vijay Prakash Gupta & Associates**
Chartered Accountants
Firm Reg.No. : 005570N

(**Vikas Varshney**)
Partner
M.No. 510929

New Delhi
May 30, 2013

SHIV-VANI OIL & GAS EXPLORATION SERVICES LIMITED

Notes Forming Part of Consolidated financial statements

1. Significant Accounting Policies

(a) Basis of Consolidation

- i. The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the companies separate financial statements.
- ii. The Financial Statements of the Parent company and its subsidiaries have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, incomes and expenses, after fully eliminating intra group balances/transactions, resulting in unrealized profits or losses.
- iii. The details of subsidiary companies whose financial statements are consolidated are as under.

S. No	Name of Subsidiary	Country of Incorporation	Name of Parent Company	Percentage of ownership	Main Activity of the Subsidiary
1	Shiv Vani Oil & Gas Co. LLC	Oman	Shiv Vani Oil & Gas Exploration Services Ltd.	99%*	Drilling & Workover Operations in oil field
2	Oriental Oil & Gas Services Ltd.	Mauritius	--Do--	100%	Oil & Gas Exploration Services
3	Shiv Vani Oil Services Ltd.	India	--Do--	100%	Provide services to Oil, Gas & Petroleum Industries
4	TNG Shiv Geo Services Ltd.	India	--Do--	51%	Provide services to Oil, Gas & Petroleum Industries
5	Shiv-Vani Singapore PTE. Ltd.	Singapore	--Do--	100%	Drilling & Workover Operations in oil field
6	Natural Oil & Gas Services Ltd.	Mauritius	--Do--	100%	Oil & Gas Exploration Services
7	Shiv Vani Energy Limited	India	--Do--	100%	Power Genration
8	Shiv-vani Infra Limited	India	--Do--	100%	Infrastructure Activity
9	Global Exploration Pte Ltd**	Singapore	--Do--	100%	Oil & Gas Exploration Services
10	Oil Blocks Holdings Ltd.(Fellow subsidiary)	Cyprus	Oriental Oil & Gas Services Ltd., Mauritius	100%	Exploration, Extraction, Refining and other allied ancillary
11	SV Videsh Ltd.(Fellow subsidiary)	Cyprus	Oriental Oil & Gas Services Ltd., Mauritius	100%	Exploration, Extraction, Refining and other allied ancillary

* Balance 1% ownership is held by Oriental Oil & Gas Services Ltd. Mauritius, a subsidiary of the parent company.

**The subsidiary company came into existence on 18.10.2012

- iv. The consolidated financial statements are based, in so far as they relate to Audited accounts included in respect of subsidiaries (audited by the auditors of their country) for the year ended 31st March, 2013.
 - a. During the year Shiv-Vani Singapore Pte. Ltd has commenced commercial business of offshore drilling in Gulf of Suez, Egypt.
 - b. During the year Shiv-Vani Energy Ltd. has commenced commercial business of generation of Solar Power at Rajgarh, Madhya Pradesh having capacity of 2MW.
- v. Minority interest's share being loss for the year is identified and adjusted against the income in the profit & loss account in order to arrive at the net income attributable to shareholders of the Company.
Minority Interest's share of net liabilities of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.

(b) Significant Accounting Policies

i. Revenue Recognition

Revenue is primarily derived from oil & gas exploration and other allied services. The same is accounted for by the Company on the basis of gross value of work done.

Profit on sale of fixed assets/ investments are recorded on transfer of title from the company and are determined as the difference between the sale price and carrying value of the fixed asset/ investments.

Interest is recognized using the time-proportion method based on rates implicit in the transaction.

ii Fixed Assets and Capital work-in-progress

Fixed assets are stated at cost, less accumulated depreciation and impairments, if any. Direct costs are capitalized until fixed assets are ready for use. Borrowing costs directly attributable to acquisition or construction of fixed assets, which necessarily take a substantial period of time to get ready for their intended use, are capitalized. Capital work-in-progress comprises outstanding advance paid to acquire fixed assets, and the cost of fixed assets that are not yet ready for their intended use at the reporting date.

iii Depreciation and amortization

Depreciation on fixed assets is provided on the straight-line method at the rate prescribed under Schedule XIV to the Companies Act, 1956. Depreciation for assets purchased / sold, impaired or discarded during a period is proportionately charged. Individual low cost assets (acquired for less than Rs. 5000/-) are depreciated fully in the year of purchase.

In case of depreciation on fixed assets of a subsidiary company in Oman, the same is calculated on straight line method at the following rates.

Rigs & Equipments	4.75%
Camps & Caravans	15%
Vehicles	33.33%
Furniture & Fixtures	33.33%
Computers	15%
Office Equipment	15%

In case of depreciation on Solar Power Unit subsidiary company i.e. Shiv Vani Energy Ltd. The depreciation @ 5.83% on straight line method has been applied as notified by the Central Electricity Regulatory Commission vide notification no. L-1/94/CERC/2011 dated 06.02.2012

iv. Impairment of assets

The company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit & loss account. If at the balance sheet date there is an indication that if a previously assessed impaired loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historic cost.

v. Investments

Investments are classified as long term based on Management's intention at the time of purchase. Cost for overseas investment comprises the Indian Rupee value of the consideration paid for the investment translated at the exchange rate prevalent at the date of investment. Long-term investments are carried at cost less provisions recorded to recognize any decline, other than temporary, in the carrying value of each investment.

vi. Inventories

Stores, spare parts & other consumables are valued at cost on First-in-first-out basis.

vii. Foreign Currency Transactions

Exchange difference arising on repayment of foreign exchange liabilities incurred for the purpose of acquiring fixed assets, which are carried in terms of historical cost, are adjusted in the carrying amount of the respective fixed assets.

The carrying amount of such fixed assets against which the liabilities in any foreign currency are outstanding is

also adjusted to account for any increase or decrease in such liability by applying the closing rate or the rate as per forward exchange contract, if any. However, in case of the subsidiary company in Oman, the same is recognized in the income statement.

In case of any profit or loss arising on cancellation or renewal of a forward exchange contract relating to liabilities incurred for acquiring fixed assets, such profit or loss is adjusted in the carrying amount of the respective fixed assets.

Exchange difference arising on foreign currency transactions other than those relating to liabilities incurred for the purpose of acquiring fixed assets in Indian Company, are recognized as income or expenses for the year as the case may be. Any profit or loss arising on cancellation or renewal of a forward exchange contract in those cases is also recognized as income or expense for the year. All current assets and current liabilities in any foreign currency outstanding at the end of the year are translated by applying the closing rate or the rate as per forward exchange contract, if any.

viii Retirement & Other benefits to employees

Gratuity : In accordance with the Payment of Gratuity Act, 1972, the company provides for gratuity, a defined benefit retirement plan covering eligible employees. The plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the company subject to conditions specified in aforesaid act.

Provident Fund : Eligible employees receive benefits of provident fund, which is a defined benefit plan. Both the employee and the Company makes monthly contribution to the provident fund plan equal to a specified percentage of the covered employee's salary. The rate at which the annual interest is payable to the beneficiaries is being administered by the government.

Compensated Absence : The employees of the Company are entitled to compensate absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absence is measured based on the additional amount expected to be paid as a result of the unused entitlement that has accumulated at the Balance Sheet date. Expenses on non-accumulating compensated absences are recognized in the period in which the absences occur.

ix. Borrowing Costs

Borrowing cost that is directly attributable to the acquisition of assets has been capitalized as part of the cost of that asset upto the date of such asset is ready for its intended use. All other borrowing cost is charged to revenue in the period when they are incurred.

x Taxes

Tax expense comprises of current tax, related to earlier years & deferred tax.

Income tax is accrued in the same period when the related revenue and expenses arise. A provision is made for income tax annually, based on the tax liability computed, after considering tax allowances & exemption. Provisions are recorded when it is estimated that a liability due to disallowances or other reasons is probable.

The difference that result between the profit considered for Income Taxes and the profit as per the financial statements are identified, and thereafter a deferred tax asset or deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of aggregate amount of timing difference. The tax effect is calculated on the accumulated timing difference at the end of an accounting period based on enacted or substantively enacted regulations. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Tax credit is recognized in respect of Minimum Alternate Tax ('MAT') as per the provisions of Section 115 JAA of the Income Tax Act, 1961 based on convincing evidence that the Company will pay normal income tax within statutory time frame and is reviewed at each Balance Sheet date. The MAT credit is recognized as an asset in accordance with the recommendation provided in the Guidance Note issued by the Institute of Chartered Accountants of India

xi Earning per share

Basic earnings per share is 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.

For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period adjusted for the effects of all dilutive potential equity shares.

Note	Particulars	As at 31st March	
		2013 (₹)	2012 (₹)
2	Share Capital		
	(a) Authorized :		
	7,00,00,000 (Previous Year 7,00,00,000) Equity shares of Rs. 10/- each	700,000,000	700,000,000
	5,00,000 (Previous Year 5,00,000) 11% Redeemable Non Convertible Preference shares of Rs. 100/- each	50,000,000	50,000,000
		<u>750,000,000</u>	<u>750,000,000</u>
	(b) Issued, Subscribed & Paid-up		
	4,63,60,501 Equity shares (Previous Year - 4,63,60,501) of Rs. 10/- each fully paid	463,605,010	463,605,010
		<u>463,605,010</u>	<u>463,605,010</u>
	(c) Terms/ Rights attached to shares		
	The company has only one class of Equity Shares having face value of Rs. 10/- per share. Each shareholder is eligible for one vote per share. The dividend proposed by the board of Directors, if any, is subject to the approval of shareholders. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amount, in proportion to their shareholding.		
	(d) Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period		
	Particulars	<u>2012 - 13</u>	<u>2011 - 12</u>
	Shares as on 1st April	46,360,501	46,360,501
	Add : Shares issued during the year	-	-
	Less : Shares forfeited/bought back during the year	-	-
	Shares as on 31st March	<u>46,360,501</u>	<u>46,360,501</u>
	(e) 4,29,000 (Previous Year - 4,29,000) Equity shares of Rs. 10/- each are held by M/s. Shiv Vani Oil Services Limited (a wholly owned subsidiary company). This forms part of promoters holding.		
	(f) Details of shares held by share holders holding more than 5% of the aggregate shares in the company		
	Name of share holder	As at <u>31st March 2013</u>	As at <u>31st March 2012</u>
		No of shares held & % of holding	No of shares held & % of holding
	Templeton Strategic Emerging Markets Fund III LDC	37,07,895 8% holding	37,07,895 8% holding
	(g) Information regarding issue of shares in the last five years		
	(a) The Company has not issued any shares without payment received in cash		
	(b) The Company has not issued any bonus shares		
	(c) The Company has not undertaken any buy back of shares		

SHIV-VANI OIL & GAS EXPLORATION SERVICES LIMITED

Note	Particulars	As at 31st March	
		2013 (₹)	2012 (₹)
3	Reserves & Surplus		
	a) General Reserve		
	Balance as per last account	460,000,000	410,000,000
	Add : Transferred from surplus	40,000,000	50,000,000
	Add : Transferred from Debenture Redemption Reserve	2,500,000,000	-
		<u>3,000,000,000</u>	<u>460,000,000</u>
	b) Securities Premium Account		
	Balance as per last account	4,375,026,333	4,580,207,331
	Less : Premium for redemption of Debentures	(51,188,896)	(151,661,104)
	Less : Premium for redemption of FCCB	(39,355,714)	(53,519,894)
		<u>4,284,481,723</u>	<u>4,375,026,333</u>
	c) Capital Redemption Reserve		
	Balance as per last account	<u>50,000,000</u>	<u>50,000,000</u>
	d) Capital Reserve (On Equity Shares & Warrants Forfeiture)		
	Balance as per last account	<u>396,025,500</u>	<u>396,025,500</u>
	e) Debenture Redemption Reserve		
	Balance as per last account	2,500,000,000	-
	Add : Transferred from surplus	-	2,500,000,000
	Less : Transferred to General Reserve	(2,500,000,000)	-
		<u>-</u>	<u>2,500,000,000</u>
	f) Foreign Currency translation Reserve		
	Balance as per last account	(410,618,155)	239,922,705
	Add / (Less) : On Consolidation	(748,730,276)	(650,540,860)
		<u>(1,159,348,431)</u>	<u>(410,618,155)</u>
	g) Legal Reserve		
	Balance as per last account	19,443,864	19,443,864
	h) Surplus as per statement of Profit & Loss		
	Balance brought forward	7,515,638,823	8,026,552,704
	Add : Profit after tax for the year	224,250,200	2,092,967,452
	Less : Transferred to General reserve	(40,000,000)	(50,000,000)
	Less : Transferred to Debenture Redemption Reserve	-	(2,500,000,000)
	Less : Proposed Dividend	-	(46,360,501)
	Less : Tax on Proposed Dividend	-	(7,520,832)
		<u>7,699,889,023</u>	<u>7,515,638,823</u>
4	Long Term Borrowings		
	Secured		
	Debentures		
	Privately placed 6% Optional Convertible Debentures are secured by 1st pari passu charge over Movable Fixed Assets of the company. The same were redeemed during the year	-	2,500,000,000
	Less : Current Maturities	-	<u>2,500,000,000</u>
	Sub-total (a)	<u>-</u>	<u>-</u>

Note	As at 31st March	
	2013 (₹)	2012 (₹)
4. Long Term Borrowings (Contd...)		
Term Loans		
From Banks (Rupee Loans)	14,415,097,543	9,644,988,817
From Banks (Foreign Currency Loans)	10,135,268,512	8,242,250,781
From Other Parties	3,534,810,708	3,002,679,432
	<u>28,085,176,763</u>	<u>20,889,919,030</u>
Less : Current Maturities	4,862,124,436	4,451,241,154
Sub-total (b)	<u>23,223,052,327</u>	<u>16,438,677,876</u>
Unsecured		
Bonds		
80,000 Bonds (P.Y. 80,000 Bonds) 5% Foreign Currency Convertible Bonds of USD 1000 each	3,728,742,500	3,728,742,500
Add : Currency Translation	622,401,500	363,777,500
	<u>4,351,144,000</u>	<u>4,092,520,000</u>
Others	564,018,466	52,587,508
Deferred Payment Liabilities		
(Vehicle Loan from ICICI Bank Ltd at 11.17% of interest rate. The company has issued post dated cheques payable at Rs. 19,932/- p.m. upto 01st May 2015)	457,824	-
Sub-total (c)	<u>4,915,620,290</u>	<u>4,145,107,508</u>
Total (a + b + c)	<u>28,138,672,617</u>	<u>20,583,785,384</u>

Nature of Security and terms of repayment of Long Term Secured Loans*

Nature of Security***	In Crores		
	Banks	Financial Institution	Total
Exclusive Charge on Plant & Machinery and Specific Assets financed**	210.73 (346.83)	- -	210.73 (346.83)
Pari passu first Charge created / to be created on the entire Fixed Assets of the Company **	1488.15 (1441.89)	278.49 (300.27)	1766.64 (1742.16)
Total	1698.88 (1788.72)	278.49 (300.27)	1977.37 (2088.99)

* The figures mentioned in brackets pertain to previous year

** Includes Loans aggregating to Rs. 552.60 Crores (P.Y. - 291.76 Crores) also secured by way of pledge of 62,05,000 (P.Y. - 1,15,75,000) shares of the company being part of Promoters stake

*** All the above borrowings from Banks & Financials institutions are further secured by personal guarantees of promoter directors.

SHIV-VANI OIL & GAS EXPLORATION SERVICES LIMITED

Terms of Repayment of Secured Term loans*

Particulars	Rate of Interest **	Rs. in crores				
		1-2 Years	2-3 Years	3-4 Years	Beyond 4 years	Total
Rupee Term Loans from banks	13.50% - 15.50% (11.60% - 15.00%)	256.01 (254.47)	234.26 (211.45)	200.33 (121.52)	456.39 (123.92)	1146.99 (711.36)
Foreign Currency Term Loans from banks ***	3.75% - 10.75% (3.75% - 6.45%)	30.08 (217.48)	43.84 (206.04)	48.42 (204.37)	46.21 (40.86)	168.55 (668.75)
Rupee Term Loans from Financial Institutions	13.00% - 14.00% (12.75% - 13.25%)	75.39 (82.63)	74.46 (89.06)	34.88 (78.71)	- (13.36)	184.73 (263.76)
Total		361.48 (554.48)	352.55 (506.55)	283.63 (404.60)	502.60 (178.14)	1500.27 (1643.87)

* The figures mentioned in brackets pertain to previous year

** Rate of Interest is floating in nature and is as per sanction letters as amended from time to time.

*** Loan amounting to Rs. 95.16 Crores has been rescheduled for repayment

Nature of Security and terms of repayment of Long Term Unsecured Loan-Bonds

- a) During the year ended 31st March 2011, the company has issued 80,000 - 5% Foreign Currency Convertible Bonds (FCCB) of US \$ 1000 each aggregating to US \$ 80 million. These bonds are convertible at the option of the Bond Holders into equity shares of Rs.10 each fully paid up at the conversion price of Rs. 515.60 per share calculated at a fixed rate of exchange of Rs. 47.08 for US \$ 1 prior to the close of the business hours on 17th August, 2015.

As on the date of balance sheet FCCB for US \$ 80 Million were outstanding.

Upon conversion of all the bonds into equity shares, the Share Capital of the company will increase by 73,04,888 Shares subject to adjustments upon occurrence of certain events.

Unless previously converted, the Bonds shall be redeemable on or before 17th August, 2015 at 104.22% of their principal amount. The redemption value of these Bonds as on 31st March, 2013 was 102.31% (Previous year - 101.31%).

- b) Pending utilization of the issue proceeds of Foreign Currency Convertible Bonds (FCCB), an amount of Rs. 0.65 Crores (Previous Year Rs. 0.61 Crores) is lying in Foreign Currency Current and Deposit Accounts. During the current year, out of issue proceeds, Rs. Nil (Previous Year - Rs.185.63 Crores) have been utilized for financing capital expenditure and Rs. Nil (Previous year Rs. 3.58 Crores) for Loans to Subsidiary Companies for repayment of foreign currency loans availed them.

Note	Particulars	As at 31st March	
		2013 (₹)	2012 (₹)
5	Deferred Tax Liabilities (Net)		
	Deferred Tax liability for the period ended March 31, 2013 has been provided on the estimated tax computation for the year. As per last account	1,676,658,503	1,338,007,491
	Add : Transferred from statement of profit & loss	38,561,366	338,651,012
	Closing Balance	<u>1,715,219,869</u>	<u>1,676,658,503</u>
6	Other Long Term Liabilities		
	Retention Money	2,765,941	2,857,926
	Deposits from parties	1,191,528	1,731,538
		<u>3,957,469</u>	<u>4,589,464</u>

Note	Particulars	As at 31st March	
		2013 (₹)	2012 (₹)
7	<u>Long term Provisions</u>		
	Provision for Employees Benefit	22,032,180	21,813,944
	Provision for redemption premium (Bonds)	92,875,608	53,519,894
		<u>114,907,788</u>	<u>75,333,838</u>
8	<u>Short term borrowings</u>		
	<u>Secured</u>		
	Cash Credit Loans - Working Capital from Banks	2,513,876,340	2,114,127,978
	<u>Unsecured</u>		
	From Banks repayable on demand [Rate of Interest - Nil (P.Y. 14.45%)]	-	282,895,445
	Overdraft from Banks repayable on demand [Rate of Interest - 12% (P.Y. - Nil)]	246,817,652	
		<u>2,760,693,992</u>	<u>2,397,023,423</u>
	<u>Disclosure of Security on Secured borrowings</u>		
	Working capital loans from banks are secured by way of hypothecation of stocks of consumable stores and spares and book debts of the company, both present and future and also Hnd charge on Plant & Machinery except on specific Plant & Machinery of Rs. 1.89 Crores (net) [P.Y. Rs. 1.99 Crores (net)] exclusively charged to State Bank of India. These Working Capital Loans are further secured against pledge of 22,24,400 (previous year - 27,59,400) Equity Shares of the Company being part of Promoters stake.		
9	<u>Trade & Other Payables</u>		
	Total outstanding due to :		
	Micro, Small & Medium Enterprises *	-	-
	Advance from Customers	32,435,922	-
	Others Payables **	4,045,719,239	1,919,753,438
		<u>4,078,155,161</u>	<u>1,919,753,438</u>
	* As per information available with the company		
	** Includes Nil (P.Y. - Rs. 2 Crores) due to Directors & Rs. 57.23 Crores (P.Y. - Rs. 45.37 Crores) due to Subsidiaries.		
10	<u>Other Current Liabilities</u>		
	Current Maturities of Debentures	-	2,500,000,000
	Current Maturities of Long Term loans	4,862,124,436	4,451,241,154
	Interest accrued on borrowings	682,671,718	371,263,595
	Unpaid Dividend	4,652,892	2,507,919
	Book overdraft	21,941	-
	Other liabilities	2,321,385,123	2,184,875,362
		<u>7,870,856,109</u>	<u>9,509,888,030</u>
11	<u>Short Term Provisions</u>		
	Gratuity (Funded)	47,393,306	37,068,502
	Provision for redemption premium (Debentures)	-	151,661,104
	Proposed Dividend	-	46,360,501
	Dividend Distribution tax on proposed dividend	-	7,520,832
	Provision for Income Tax	1,040,885,769	881,114,061
	Others	8,519,148	-
		<u>1,096,798,223</u>	<u>1,123,725,000</u>

12 FIXED ASSETS

Particulars	Gross Block			Depreciation			Net Block		
	Cost As at 01.04.2012	Additions	Deductions/ Adjustments	Cost as at 31.03.2013	Upto 31.03.2012	For the year	Deductions/ Adjustments	As at 31.03.2013	As at 31.03.2012
	(₹)	(₹)	(₹)	(₹)	(₹)	(₹)	(₹)	(₹)	(₹)
Tangible Assets									
Building	213,876,295	-	-	213,876,295	11,329,806	3,486,140	-	14,815,946	199,060,349
Plant & Machinery	34,240,093,041	8,125,772,572	121,870,334	42,243,995,279	5,813,517,193	1,731,858,926	88,430,511	7,456,945,609	34,787,049,670
Solar Power Unit	-	246,270,423	-	246,270,423	-	11,061,642	-	11,061,642	235,208,781
Furniture & Fixtures	46,866,728	223,190	7,223,265	39,866,653	12,610,648	2,411,284	2,550,699	12,471,233	27,395,420
Computers	66,905,765	619,706	2,198,238	65,327,233	41,709,916	7,707,251	1,853,402	47,563,764	17,763,469
Vehicles	209,494,863	13,800,529	22,879,434	200,415,958	145,879,273	16,301,734	20,985,789	141,195,218	59,220,740
Office Equipments	74,975,707	1,071,465	8,786,187	67,260,985	13,793,363	3,224,203	2,715,255	14,302,312	52,958,673
Tents	83,463,916	-	-	83,463,916	68,243,795	9,413,977	-	77,657,772	5,806,144
Capital work in Progress	3,988,258,261	5,558,030,510	4,364,137,281	5,182,151,490	-	-	-	-	5,182,151,490
Total	38,923,934,576	13,945,788,395	4,527,094,739	48,342,628,232	6,107,083,994	1,785,465,157	116,535,655	7,776,013,495	40,566,614,737
Previous Year	34,761,793,478	4,201,571,510	39,430,411	38,923,934,577	4,496,639,303	1,612,782,834	2,338,141	6,107,083,996	32,816,850,581
									30,265,154,179

13 Non-Current Investments

	As at 31st March							
	2013				2012			
<u>In Equity shares</u>	Face Value	Paid up	Nos.	Amount in INR	Face Value	Paid up	Nos.	Amount in INR
Quoted - Trade (At Cost)								
a) Shiv Vani Oil & Gas Exploration Services Ltd	Rs. 10	Fully	429,000	9,750,000	Rs. 10	Fully	429,000	9,750,000
Total (A)				9,750,000				9,750,000
Unquoted - Trade (At Cost)								
Equipment Conductors & Cables Ltd., India	Rs. 10	Fully	4,300	43,000	Rs. 10	Fully	4,300	43,000
Neutral Engineers Ltd., India	Rs. 10	Fully	110,000	1,100,000	Rs. 10	Fully	110,000	1,100,000
Parasram Puria Synthetics Ltd., India **	Rs. 10	Partly	5,000	25,000	Rs. 10	Partly	5,000	25,000
Om Shivay Real Estate Pvt. Ltd., India	Rs. 10	Fully	180,000	1,800,000	Rs. 10	Fully	180,000	1,800,000
Immortal Vintrade Pvt. Ltd., India	Rs. 10	Fully	2,600	26,000	Rs. 10	Fully	2,600	26,000
Total (B)				2,994,000				2,994,000
** The shares are partly paid-up of Rs. 5/- each								
Total of investment in equity shares (C)			(A + B)	12,744,000				12,744,000

In Preference shares - Unquoted - Trade (At Cost)

9% Optionally Convertible Cumulative Preference

Shares of Godawari Green Energy Limited	Rs. 100	Fully	5,600,000	560,000,000	-	-	-	-
Total of investment in preference shares (D)				560,000,000				-

In Units of Mutual Funds - Quoted - Trade (At Cost)

** SBI Infrastructure Fund (at Cost)	-	-	-	-	-	-	200,000	2,000,000
** SBI Magnum Balance Fund - Regular Plan - Growth (at Cost)	-	-	39,871.88	2,500,000	-	-	-	-
** SBI SHF Ultra Short Term Fund (at Cost)	-	-	-	-	-	-	427.23	500,000
Total of investments in Mutual fund / s (E)				2,500,000				2,500,000
Total Non Current Investments			(C + D+ E)	575,244,000				15,244,000

	Book value	Market Value	Book value	Market Value
Aggregate of Quoted Investment/s ***	2,500,000	2,174,185	2,500,000	2,151,164
Aggregate of Unquoted Investments	562,994,000	-	2,994,000	-
Other	9,750,000		9,750,000	
	575,244,000	2,174,185	15,244,000	2,151,164

** Change in fund & units due to switch out and switch in between the funds

*** Market Value of quoted equity shares is not considered since the shares of parent company is hold by a subsidiary

SHIV-VANI OIL & GAS EXPLORATION SERVICES LIMITED

Note	Particulars	As at 31st March	
		2013 (₹)	2012 (₹)
14	<u>Long-term Loans and Advances</u>		
	a) <u>Capital Advances</u>		
	Unsecured - considered good	2,765,177,249	3,098,331,481
	b) <u>Security Deposits</u>		
	Unsecured - considered good	93,045,646	93,967,088
	c) <u>Loans & Advances</u>		
	Unsecured - considered good	15,000,000	575,000,000
		<u>2,873,222,895</u>	<u>3,767,298,569</u>
15	<u>Other Non-Current assets</u>		
	Credit Entitlement of Minimum Alternate Tax (MAT)	242,010,649	440,873,571
	Others	252,290,663	310,213,773
		<u>494,301,312</u>	<u>751,087,344</u>
16	<u>Inventories</u>		
	Stores, Spares, Consumables & Chemicals - At cost	2,854,389,375	2,213,640,084
	Value of Incompleted jobs on estimated cost	30,099,823	
	Scrap - At realisable value	3,776,248	6,364,300
	Goods in Transit - At cost	5,544,766	22,583,146
		<u>2,893,810,212</u>	<u>2,242,587,530</u>
17	<u>Trade Receivables</u>		
	(Unsecured - Considered good)		
	Outstanding for a period exceeding six months	2,165,194,289	1,247,509,486
	Others	5,424,817,260	5,448,138,831
	Less : Provision for Doubtful Debts	(146,476,335)	-
		<u>7,443,535,214</u>	<u>6,695,648,317</u>
18	<u>Cash & Bank Balances</u>		
	a) <u>Cash & Cash Equivalents</u>		
	Cash in Hand	7,773,958	5,995,022
	Current accounts with banks in Indian Rupees	75,098,254	303,319,047
	Current accounts with banks in Foreign Currency	63,983,121	101,791,410
	Sub - total (a)	<u>146,855,333</u>	<u>411,105,479</u>

Note	Particulars	As at 31st March	
		2013 (₹)	2012 (₹)
b)	Other Bank Balances		
	Earmarked balances with banks	67,759	9,161,624
	Unclaimed dividend account	2,496,273	2,508,919
	Bank deposits with maturity less than 3 months at inception **	205,598,681	207,600,751
	Bank deposits with maturity more than 3 months but less than 12 months at inception **	9,608,334	51,044,074
	Bank deposits with maturity more than 3 months but less than 12 months at inception - Foreign Currency	563,456,643	1,058,182
	Bank deposits with maturity more than 12 months at inception **	232,088,846	325,219,048
	Bank deposits with maturity more than 12 months at inception ** - Foreign Currency		616,603,971
	Sub - total (b)	<u>1,013,316,535</u>	<u>1,213,196,569</u>
	Total (a + b)	<u>1,160,171,869</u>	<u>1,624,302,048</u>
	** Includes deposits of Rs. 44,72,95,861/- (P.Y. Rs. 34,34,16,648/-) are under lien as margin for bank gurantees and other comittments.		
19	<u>Short Term Loans & Advances</u>		
	<u>Secured</u>		
	Advances and other Receivables	1,360,600	10,789,613
	<u>Unsecured - considered good</u>		
	Advances and other Receivables	1,035,310,325	1,136,925,470
	Others	1,417,180,144	1,566,656,291
		<u>2,453,851,069</u>	<u>2,714,371,374</u>
20	<u>Other Current Assets</u>		
	Income tax deducted at Source & taxes paid	1,513,535,362	1,296,681,946
	Works Contract Tax	10,105,988	26,648,530
	Prepaid Expenses	51,925,890	49,171,179
	Others	497,203,638	660,156,967
		<u>2,072,770,877</u>	<u>2,032,658,622</u>

SHIV-VANI OIL & GAS EXPLORATION SERVICES LIMITED

Note	Particulars	For the year ended on	
		31st March, 2013 (₹)	31st March, 2012 (₹)
21	<u>Revenue from Operations</u>		
	Operating Revenue	12,361,962,059	14,840,316,541
	Receipt from generation and supply of power	33,116,568	-
		<u>12,395,078,627</u>	<u>14,840,316,541</u>
22	<u>Other Income</u>		
	Interest Income	46,106,893	43,438,756
	Profit on sale of fixed assets	37,246,188	
	Exchange Gain - net (other than considered as finance cost)	7,249,620	66,210,134
	Other non operating income	37,376,014	212,881,908
		<u>127,978,715</u>	<u>322,530,798</u>
23	<u>Cost of Material Consumed</u>		
	Stores, Spares, Consumables & Chemicals	1,267,973,716	1,463,410,720
	Oils & Lubricants	646,312,354	807,362,316
		<u>1,914,286,069</u>	<u>2,270,773,036</u>
24	<u>Operational Expenses</u>		
	Repairs & Maintenance (Plant & Machinery)	369,005,696	64,625,885
	Other Operation Expenses	2,837,516,260	3,806,511,255
		<u>3,206,521,956</u>	<u>3,871,137,140</u>
25	<u>Employment Benefit Expenses</u>		
	Salaries, Wages, Remuneration, Bonus, Gratuity, other benefits etc.	955,186,014	984,235,549
	Contribution to Provident fund and other funds	25,676,430	28,032,094
	Workmen & Staff welfare expenses	51,299,472	32,992,717
		<u>1,032,161,916</u>	<u>1,045,260,360</u>
26	<u>Finance Cost</u>		
	Interest Expenses	2,730,635,168	2,770,001,840
	Others	247,532,811	179,210,899
	Applicable net gain/loss on foreign currency transactions and translations	243,013,415	116,986,663
		<u>3,221,181,394</u>	<u>3,066,199,402</u>
27	<u>Depreciation and Amortization Expenses</u>		
	Depreciation on assets	1,785,465,157	1,612,782,834
	Amortization	57,680,196	57,680,196
		<u>1,843,145,353</u>	<u>1,670,463,030</u>

Note	Particulars	For the year ended on	
		31st March, 2013 (₹)	31st March, 2012 (₹)
28	<u>Other Expenses</u>		
	Rent	54,909,560	92,965,285
	Repair & Maintenance - Others	22,002,630	28,386,295
	Insurance	98,185,771	85,110,878
	Rates & Taxes	7,047,308	10,496,112
	Legal & Professional charges	90,454,455	104,443,285
	Travelling & Conveyance	116,033,673	133,064,202
	Charity & Donations	527,384	1,962,261
	Director's Fees	730,000	780,000
	<u>Auditors Remuneration</u>		
	For Audit fee	3,761,236	3,761,030
	For Consolidated Audit fee	50,000	50,000
	For Tax Audit fee	250,000	250,000
	For Other Matters	2,440,000	1,797,485
	Miscellaneous Expenditure	257,777,546	301,053,303
		<u>654,169,563</u>	<u>764,120,136</u>
29	Contingent Liabilities not provided for in respect of	Amount in (₹)	
		March-13	March-12
1	Amount unpaid on Investment in Shares:- - 5,0000 Equity Shares of Parasrampurua Synthetics Ltd.	35,000	35,000
2	Counter Guarantees given in respect of Guarantess Issued by the Company's bankers to Oil & Natural Gas Corpn. Ltd (ONGC) and Oil India Ltd (OIL) & other parties (Includes pledge of 9,02,500 shares of the company held by a director and a third party)	3,086,245,009	2,623,096,225
3	Un-expired Letters of Credit	7,193,719	131,053,680
4	Estimated Value of Capital Commitments (Net of advances)	1,611,801,669	3,472,053,538
5	Disputed claims/levies (excluding interest if any) in respect of:		
	a Sales Tax demands (*)	1,240,768	1,240,768
	* To be adjusted against refund granted for Rs.133.86 lacs.		
	b Custom Duty	1,250,000	1,250,000
	c Service Tax Demand	479,531,062	479,531,062
	d Income Tax	339,017,125	-
6	Cases Pending in Court	3,924,000	3,924,000

SHIV-VANI OIL & GAS EXPLORATION SERVICES LIMITED

		Amount in (₹)	
		31st March-13	31st March-12
30	Other Commitments		
	Lease rental commitments	27,069,177	59,421,559
	Export obligation under EC	249,136,171	1,146,913,959
	Director Remuneration	95,000,000	142,500,000
31	External Commercial Borrowings		
	The External Commercial Borrowings [ECBs] outstanding :		
	ICICI (US\$44 M)	1,169,232,889	1,483,451,739

32. OTHERS

i. DEPRECIATION:

- a) Depreciation on Fixed Assets in the case of subsidiary company has been provided at lower rates than the rates provided in the financial statement of Shiv-Vani Oil & Gas Co. LLC – Oman. This has resulted in the following.
 1. The depreciation has been higher by Rs. 10,362,740/- (Previous Year higher by Rs. 4,937,564/-) to the Consolidated Profit & Loss Account
 2. The profit in the consolidated accounts is lower by Rs. 10,362,740/- (Previous Year profit lower of Rs. 4,937,564/-) and
 3. The fixed assets in consolidated accounts have been stated lower by Rs. 10,362,740/ (Previous Year lower by Rs. 4,937,564/-)
- ii. The cost in respect of old unusable fixed assets sold/adjusted/impaired amounting to Rs. 75,227,690/ (Previous Year Rs. NIL) has been reduced from the gross block.
- iii. The registration of leasehold building acquired is in process.
- iv. Premium on redemption of bonds / debentures are adjusted against the Securities Premium Account.
- v. Unsecured loan from others includes Rs 80,000,000(Previous Year Rs Nil) from directors.
- vi. The company has during the year imported stores, spares & chemicals Rs. 222,719,948/- (Previous year Rs. 582,121,400/-) under Essentially Certificate issued by Directorate General of Hydrocarbon, New Delhi for availing zero duty.
- vii. The company has not received any intimation from 'suppliers' regarding their status under the Micro, Small & Medium Enterprises Development Act, 2006 and hence disclosure requirements in this regard as per Schedule VI of the Companies Act, 1956 could not be provided
- viii. The Ministry of Corporate Affairs, Government of India, vide General Circular No. 2 and 3 dated 8th February 2011 and 21st February 2011 respectively has granted a general exemption from compliance of the provisions of section 212 of the Companies Act, 1956, subject to fulfillment of certain conditions stipulated in the circular. The Company has satisfied the conditions stipulated in the circulars and hence is entitled to the exemption. Necessary information relating to the subsidiaries has been included in the Consolidated Financial Statements.
- ix. The company has adopted an approved plan for the payment of gratuity based on actual valuation carried by Life Insurance Corporation of India. The liability towards the same has been accounted for accordingly.
- x. In the opinion of the Board and to the best of their knowledge and belief, the value on realization of current assets, loans and Advances in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet.
- xi. There are no amounts due and outstanding to be credit to Investor's Education and Protection Fund.
- xii. Figures of the previous year are regrouped and reclassified wherever necessary to correspond to figures of the current year.

Schedules referred to above form an integral part of the accounts.

33 RELATED PARTY DISCLOSURE

The following is the list of related parties & the relationship therewith:

Name of Key Persons

Prem Singhee (Chairman and Managing Director)
 Padam Singhee (Joint Managing Director)
 Prakaash Singhee (President -Technical)
 Mayank Singhee (Vice President Project)

34 The Company has the following transactions with related parties

Name of Party	Description of Transaction	Amount in (₹)	
		Current year	Previous year
Prem Singhee	Loan	40,000,000	Nil
Padam Singhee	Loan	40,000,000	Nil
Prakash Singhee	Loan	5,000,000	Nil
Mayank Singhee	Loan	23,000,000	Nil
Prem Singhee	Director Remuneration	35,620,139	31,202,990
Padam Singhee	Director Remuneration	28,604,497	27,328,284
Prakash Singhee	Salary	15,385,416	16,011,590
Mayank Singhee	Salary	2,727,600	2,144,600

35 Earning per share

BASIC EARNING PER SHARE

Particulars	Amount in (₹)	
	March - 13	March - 12
a) Numerator		
Net Profit after taxation as per profit & loss a/c	224,250,200	2,092,967,452
b) Denominator		
No. of Equity Shares outstanding	46,360,501	46,360,501
Weighted average of No. of equity shares outstanding		
Basic earning per share	4.84	45.15
Face value per equity share	10	10

DILUTED EARNING PER SHARE

Particulars	Amount in (₹)	
	March - 13	March - 12
a) Numerator		
Adjusted after taxation as per profit & loss a/c	224,250,200	2,194,577,575
b) Denominator		
No. of Equity Shares outstanding	53,665,389	58,013,215
Weighted average of No. of equity shares outstanding		
Basic earning per share	4.18	37.83
Face value per equity share	10	10

As per our report of even date
 for Vijay Prakash Gupta & Associates
 Chartered Accountants
 Firm Reg.No. : 005570N

Vikas Varshney
 Partner
 M.No. 510929

New Delhi
 May 30, 2013

For and on behalf of the Board

Prem Singhee - Chairman & Managing Director

Padam Singhee - Joint Managing Director

Rajan Gupta - Chief Financial Officer

Vimal Chadha - Company Secretary

STATEMENT REGARDING SUBSIDIARY COMPANIES PURSUANT TO SECTION 212 (8) OF THE COMPANIES ACT, 1956 AS AT 31ST MARCH, 2013

Name of Subsidiary Company	Country	Reporting Currency	Share Capital		Reserves & Surplus		Total Assets		Total Liabilities		Investments (included in Total Assets)		Total Income		Profit/(loss) before tax		Provision for Income Tax		Profit/(loss) after Tax	
			In reporting Currency	Converted in INR	In reporting Currency	Converted in INR	In reporting Currency	Converted in INR	In reporting Currency	Converted in INR	In reporting Currency	Converted in INR	In reporting Currency	Converted in INR	In reporting Currency	Converted in INR	In reporting Currency	Converted in INR	In reporting Currency	Converted in INR
Shiv Vani Oil Services Limited	India	Rupees	500,000	10,000,000	1,823,765	11,915,188	91,423	9,750,000	429,000	419,691	-	-	-	-	-	-	-	-	-	419,691
TMG Shiv Geo Services Limited	India	Rupees	500,000	500,000	(164,764)	393,212	57,976	-	-	-	-	-	-	-	-	-	-	-	-	(11,569)
Shiv Vani Energy Limited	India	Rupees	500,000	500,000	(3,157,370)	824,146,263	826,805,633	560,000,000	33,198,118	(4,577,683)	-	-	-	-	-	-	-	-	-	(3,157,370)
Shiv Vani Infra Limited	India	Rupees	500,000	500,000	-	15,555,304	15,055,304	-	-	-	-	-	-	-	-	-	-	-	-	-
Shiv Vani Oil & Gas Co. LLC.	Oman	Omani Rial	500,000	70,411,500	8,339,738	1,182,876,304	26,911,013	3,789,889,584	18,011,275	2,536,401,779	-	-	8,031,027	1,130,953,315	1,814,126	255,470,666	225,688	31,779,245	1,588,458	223,691,421
Oriental Oil & Natural Gas Ltd	Mauritius	US Dollar	34,000	1,849,236	70,094,933	3,812,414,339	83,784,432	4,556,976,607	13,655,499	742,713,032	16,146	878,170	3,555,000	193,353,962	(3,487,584)	(189,687,252)	-	-	(3,487,584)	(189,687,252)
SV Vidash Limited	Cyprus	US Dollar	1,573	85,554	(25,723)	(1,399,056)	3,184	173,176	27,334	1,486,677	-	-	-	-	(3,972)	(216,034)	-	-	(3,972)	(216,034)
Oil Blocks Holdings Limited	Cyprus	US Dollar	1,573	85,554	(25,812)	(1,403,897)	3,184	173,176	27,423	1,491,518	-	-	-	-	(3,972)	(216,034)	-	-	(3,972)	(216,034)
Natural Oil & Gas Services Limited	Mauritius	US Dollar	1	54	30,808,608	1,675,658,623	136,621,607	7,430,753,570	105,812,998	5,755,094,892	-	-	16,219,750	882,180,849	69,576	3,784,190	-	-	69,576	3,784,190
Shiv Vani Singapore Pte Ltd.	Singapore	US Dollar	71	3,862	(5,821,608)	(316,633,184)	81,239,679	4,418,569,273	87,061,216	4,735,198,595	-	-	7,791,816	423,791,418	(5,101,268)	(277,454,396)	96,355	5,240,681	(5,197,623)	(282,695,077)
Global Exploration Pte Ltd	Singapore	US Dollar	1	54	(6,551)	(356,304)	7,122,169	387,268,786	7,128,719	387,726,036	-	-	-	-	(6,551)	(356,304)	-	-	(6,551)	(356,304)

** The figures reported for Oriental Oil & Natural gas Ltd. is on consolidated basis. The financials of SV Vidash Limited & Oil Blocks Holdings Limited are merged with its Parent Company.

The Foreign currency figures of Shiv Vani Oil & Gas Co. LLC, Oman, Oriental Oil & Natural Gas Ltd., Mauritius, SV Vidash Limited, Cyprus, Oil Blocks Holdings Limited, Cyprus, Natural Oil & Gas Services Ltd., Mauritius,

Shiv Vani Singapore Pte Ltd., Singapore and Global Exploration Pte Ltd., Singapore have been converted into Indian Rupees on the basis of appropriate exchange rates.

Exchange rate as on 31st March, 2013:- 1 Omani Rial = Rs. 140.823; 1 USD = Rs. 54.3893

Schedules referred to above form an integral part of the accounts
As per our report of even date

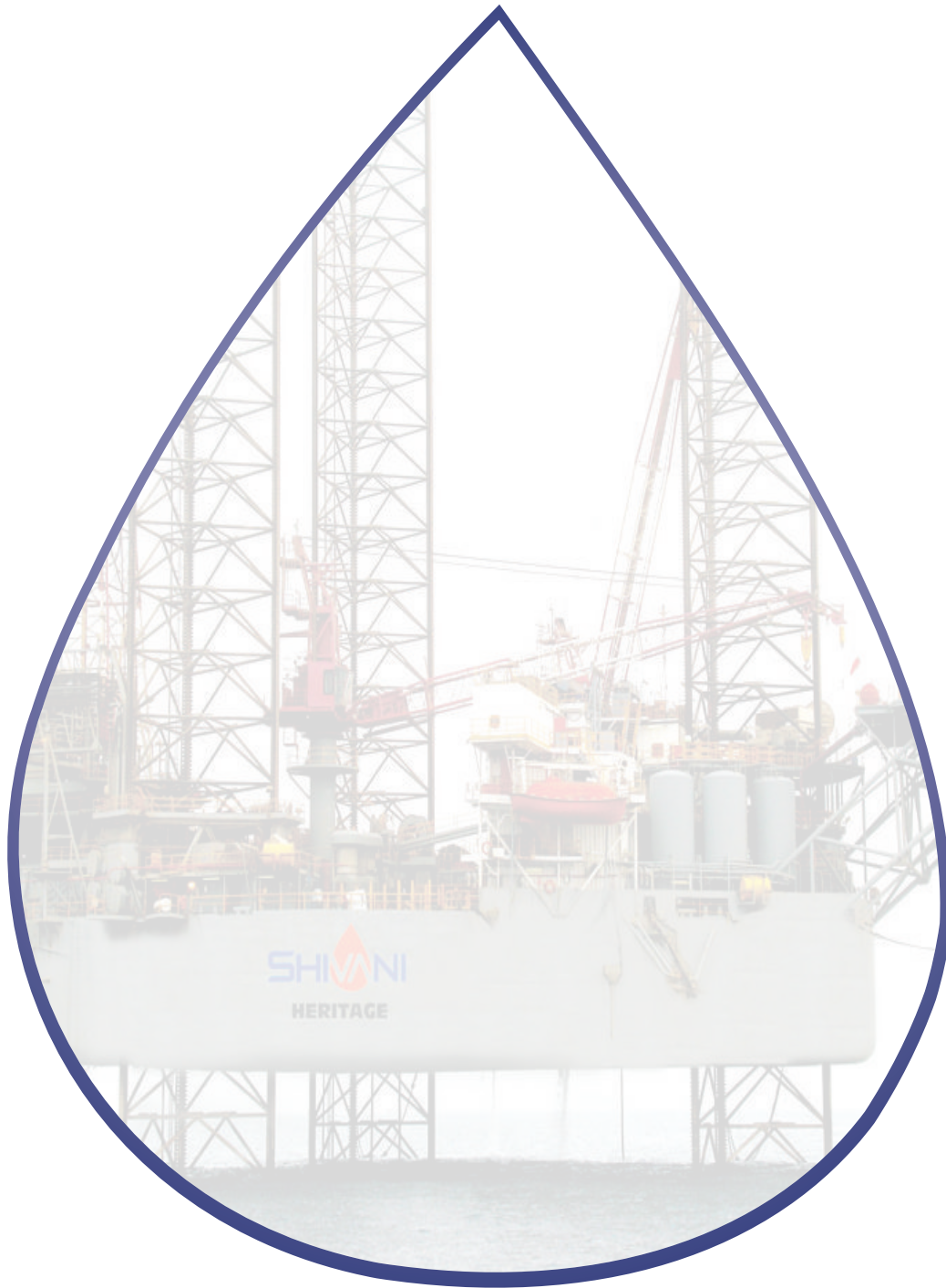
for VIJAY PRAKASH GUPTA & ASSOCIATES
Chartered Accountants

Vikas Varshney
Partner
M.No. 510929

New Delhi
May 30, 2013

For and on behalf of the Board

Prem Singhee	Chairman & Managing Director
Padam Singhee	Joint Managing Director
Rajan Gupta	Chief Financial Officer
Vimal Chadha	Company Secretary










Shiv-Vani Oil & Gas Exploration Services Limited

Registered Office : Tower 1, 5th Floor, NBCC Plaza,
Sector V, Pushp Vihar, Saket, New Delhi – 110017

FORM A

Format of covering letter of the annual audit report to be filed with the stock exchanges

1.	Name of the Company	SHIV-VANI OIL & GAS EXPLORATION SERVICES LIMITED
2.	Annual financial statements for the year ended	31 ST MARCH, 2013
3.	Type of audit observation	UN-QUALIFIED
4.	Frequency of observation	N/A
5.	To be signed by –	
	PREM SINGHEE	<p>FOR SHIV-VANI OIL & GAS EXPLORATION SERVICES LTD.</p>   <p>(CHAIRMAN & MANAGING DIRECTOR)</p>
	RAJAN GUPTA	<p>FOR SHIV-VANI OIL & GAS EXPLORATION SERVICES LTD.</p>   <p>(CHIEF FINANCIAL OFFICER)</p>
	VIKAS VARSHNEY	<p>VIJAY PRAKASH GUPTA & ASSOCIATES CHARTERED ACCOUNTANTS STATUTORY AUDITOR</p>  <p>PARTNER (AUDITOR)</p>
	RAJNISH GUPTA	<p>FOR SHIV-VANI OIL & GAS EXPLORATION SERVICES LTD.</p>   <p>(DIRECTOR)</p>