



**SELAN**  
EXPLORATION  
TECHNOLOGY LIMITED

Bombay Stock Exchange  
25<sup>th</sup> Floor, P.J. Towers  
Dalal Street  
Mumbai - 400 001  
Scrip Code # 530075

National Stock Exchange of India Ltd.  
5<sup>th</sup> Floor, Exchange Plaza,  
Bandra - Kurla Complex  
Bandra (E), Mumbai - 400 051  
Scrip Code : Selan (Equity)

25 June 2021

Dear Sir :

Sub : Outcome of Board Meeting

In compliance with the SEBI (LODR) Regulations, 2015; it is hereby informed that the Board of Directors in their meeting held today have approved and taken on record the Audited Financial Results for the year ended 31 March 2021 along with the Auditors' Report and declaration under Reg. 33(3)(d) of SEBI (LODR) Regulations, 2015.

The above documents are enclosed herewith for your reference. Kindly take the above on record.

The Meeting commenced at 03:00 P.M. and concluded at 04.45 P.M.

Thanking You.

Yours faithfully

Deepa Bhalla  
Company Secretary

**J. A. Martins & Co.**  
Chartered Accountants

**Independent Auditor's Report**

**To the Board of Directors of**

**SELAN EXPLORATION TECHNOLOGY LIMITED**

**Opinion**

We have audited the accompanying Statement of Standalone Financial Results of **Selan Exploration Technology Limited** ("the Company") for the three months and year ended 31 March 2021 ("the Statement") being submitted by the Company pursuant to requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- (i) is presented in accordance with requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"); and
- (ii) gives a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013 ("the act") read with relevant rules issued thereunder and other accounting principles generally accepted in India of the net profit and total comprehensive income, cash flows and other financial information of the Company for the year ended 31 March 2021.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

**Management's Responsibility for the Standalone Financial Statements**

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related standalone financial statements which has been prepared in accordance with Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder ('Ind AS') and other accounting principles generally accepted in India. The Company's Board of





# *J. A. Martins & Co.*

## **Chartered Accountants**

Directors is responsible for the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and other financial information in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with relevant rules issued thereunder and in compliance with Regulation 33 of the Listing Regulations.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

### **Auditors' Responsibility for the Audit of the Standalone Financial Statements**

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

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

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





## *J. A. Martins & Co.*

### Chartered Accountants

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

For J. A. Martins & Co.

Chartered Accountants

FRN: 010860N

*J. A. Martins*  
J. A. Martins

Proprietor

M. No. 082051

UDIN: 21092051AAAA DS63B3

Place: New Delhi

Date: 25 June 2021





**SELAN EXPLORATION TECHNOLOGY LTD.**  
**CIN : L74899DL1985PLC021445**  
**J-47/1, Shyam Vihar, Dindarpur, Najafgarh, New Delhi-110043**  
**AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31 MARCH 2021**

(₹ in Lakhs)

PARTICULARS	Quarter Ended			Year Ended	
	31.03.2021	31.12.2020	31.03.2020	31.03.2021	31.03.2020
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1. (a) Revenue from Operations	1,549	1,291	2,215	5,034	9,476
Less : Profit Petroleum paid to GoI	47	39	151	152	516
Revenue from Operations (Net)	1,502	1,252	2,064	4,882	8,960
2. (b) Other Income	210	184	119	943	916
3. Total Income	1,712	1,436	2,183	5,825	9,876
4. Expenses					
a) Operating Expenses	319	257	367	1,053	1,240
b) Changes in inventories of finished goods	(8)	(47)	49	7	3
c) Employee benefit expenses	121	105	107	443	590
d) Royalty and Cess	489	389	185	1,536	565
e) Other expenses	231	175	340	680	1,113
Total Expenses (a to e)	1,152	879	1,048	3,719	3,511
5 Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA)	560	557	1,135	2,106	6,365
a) Finance Cost	3	3	11	13	17
b) Depreciation and Amortisation	57	62	91	252	315
c) Development of Hydrocarbon Properties amortised	673	448	491	1,963	1,906
d) Impairment of Hydrocarbon Properties (DHP)	-	-	900	-	900
6 Profit/(Loss) before Tax	(173)	44	(358)	(122)	3,227
7 Tax Expenses :					
a) Provision for Current Tax	58	88	280	320	1,495
b) Deferred Tax	(341)	(264)	(312)	(1,066)	(511)
8 Net Profit for the period	110	220	(326)	624	2,243
9 Other Comprehensive Income / (Loss) (net of tax)	10	(8)	18	1	24
10 Total Comprehensive Income (after tax)	120	212	(308)	625	2,267
11 Cash Profit	499	466	844	1,773	4,853
12 Paid-up Equity Share Capital (face value ₹ 10/-)	1,520	1,520	1,520	1,520	1,520
13 Basic EPS (not annualised)	0.72	1.45	(2.15)	4.10	14.64
14 Diluted EPS (not annualised)	0.72	1.45	(2.15)	4.10	14.64



**SELAN EXPLORATION TECHNOLOGY LTD.**  
**J-47/1, Shyam Vihar, Dindarpur, Najafgarh, New Delhi-110043**  
**AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31 MARCH 2021**

**STATEMENT OF ASSETS AND LIABILITIES AS ON 31 MARCH 2021**

(₹ in Lakhs)

PARTICULARS	31.03.2021	31.03.2020
<b>I ASSETS</b>		
<b>(1) Non-current assets</b>		
Property, plant and equipment		
- Tangible assets	702	838
Development of hydrocarbon properties	16,344	17,914
Capital work-in-progress	103	132
Right of Use assets	65	90
Intangible assets	-	9
Financial assets		
- Other financial assets	124	43
Other non-current assets	10	25
	<b>17,348</b>	<b>19,051</b>
<b>(2) Current assets</b>		
Inventories	669	739
Financial assets		
- Investment	12,928	12,682
- Trade receivables	1,251	1,753
- Cash and cash equivalents	3,545	941
- Other bank balances	1,203	3,631
- Other financial assets	281	257
Current tax asset (net)	120	-
Other current assets	220	252
	<b>20,217</b>	<b>20,255</b>
<b>Total assets</b>	<b>37,565</b>	<b>39,306</b>
<b>II EQUITY AND LIABILITIES</b>		
<b>(1) Equity</b>		
Equity share capital	1,520	1,520
Other equity	31,121	31,256
	<b>32,641</b>	<b>32,776</b>
<b>(2) Liabilities</b>		
Non-current liabilities		
Financial liabilities		
- Borrowings	-	22
- Lease liabilities	43	70
Provisions	32	39
Deferred tax liabilities (net)	4,212	5,278
	<b>4,287</b>	<b>5,409</b>
Current liabilities		
Financial liabilities		
- Trade payables	244	520
- Lease liabilities	27	23
- Other financial liabilities	148	336
Other current liabilities	212	171
Provisions	6	10
Current tax liabilities (net)	-	61
	<b>637</b>	<b>1,121</b>
<b>Total equity and liabilities</b>	<b>37,565</b>	<b>39,306</b>





**SELAN EXPLORATION TECHNOLOGY LTD.**  
**J-47/1, Shyam Vihar, Dindarpur, Najafgarh, New Delhi-110043**  
**AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31 MARCH 2021**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2021**

(₹ In Lakhs)

PARTICULARS	2020-2021	2019-2020
<b>A. Cash flow from Operating activities :-</b>		
Net Profit / ( Loss ) before taxation	(122)	3,227
Add :		
Depreciation for the year	252	315
Other comprehensive income	1	24
Amortisation of DHP	1,963	1,906
Impairment of DHP	-	900
Interest on borrowings	2	6
Interest - Lease liabilities	9	8
	<b>2,227</b>	<b>3,159</b>
Less:		
Interest income	(293)	(87)
(Profit) / Loss on change in fair value of investments through FVTPL	(238)	586
(Profit) / Loss on sale / write-off of property, plant and equipment	(8)	90
	<b>(539)</b>	<b>589</b>
<b>Operating profit before changes in assets and liabilities</b>	<b>1,566</b>	<b>6,975</b>
Adjustment for changes in assets and liabilities		
(Increase) / Decrease in inventories	70	72
(Increase) / Decrease in trade receivables	502	93
(Increase) / Decrease in financial assets	2,324	(2,210)
(Increase) / Decrease in prepaid rent / interest expense	1	(5)
(Increase) / Decrease in other current assets	32	(42)
(Increase) / Decrease in tax asset	(120)	-
Increase / (Decrease) in trade payable	(276)	257
Increase / (Decrease) in financial liabilities	(189)	147
Increase/ (Decrease) in provisions	(11)	(24)
Increase/ (Decrease) in current tax liabilities	(61)	20
Increase / (Decrease) in other current liabilities	41	9
	<b>2,313</b>	<b>(1,683)</b>
Cash generated from operations	<b>3,879</b>	<b>5,292</b>
Less: Income tax	320	1,184
<b>Net cash from Operating activities ( A )</b>	<b>3,559</b>	<b>4,108</b>
<b>B. Cash flow from Investing activities :-</b>		
Purchase of property, plant & equipment and Additions to DHP	(74)	(113)
Net (purchase) / sales of current investments	(392)	(1,197)
Sale of property, plant & equipment	(7)	(11)
Interest income received	8	4
	293	87
<b>Net cash generated / (used) in Investing activities ( B )</b>	<b>(172)</b>	<b>(1,230)</b>
<b>C. Cash flow from Financing activities :-</b>		
Increase / Decrease in :		
Long term borrowings taken / (paid)(Net)	-	(13)
Dividend paid (Including DDT)	(760)	(916)
Interest paid on borrowings	-	(6)
Buyback of equity shares	-	(63)
Premium on buyback of equity shares	-	(1,064)
Expenses on buyback of equity shares	-	(29)
Payment of lease liabilities	(23)	(22)
<b>Net cash generated / (used) in Financing activities ( C )</b>	<b>(783)</b>	<b>(2,113)</b>
<b>Net change in cash and cash equivalents ( A+B +C )</b>	<b>2,604</b>	<b>765</b>
<b>Balance at the beginning of the year</b>	<b>941</b>	<b>176</b>
<b>Balance at the end of the year</b>	<b>3,545</b>	<b>941</b>
<b>Net change in cash and cash equivalents</b>	<b>2,604</b>	<b>765</b>





**SELAN EXPLORATION TECHNOLOGY LTD.**  
**J-47/1, Shyam Vihar, Dindarpur, Najafgarh, New Delhi-110 043**  
**AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31 MARCH 2021**

**Notes :**

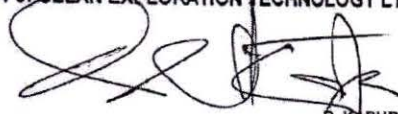
- 1 The Statement has been prepared in accordance with the Companies (Indian Accounting Standard) Rules, 2015 (Ind AS) prescribed under Section 133 of Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- 2 Residual value of Property, Plant and Equipment (PPE) is considered as Nil for the purpose of depreciation calculation.
- 3 The selling price of crude oil is determined at the prevailing international market rates in US Dollars. Fluctuations in the international price of crude oil and Dollar vs Rupee Exchange rates, affect the profitability of the company.
- 4 The Company operates in a single segment of production of Oil and Natural gas. Therefore, Ind AS-108 on Segment Reporting is not applicable to the Company.
- 5 It has been considered appropriate to show the development expenses of oil wells under "Development of Hydrocarbon Properties" as a separate item. "Development of hydrocarbon properties" includes the cost incurred on the collection of seismic data, drilling of wells, reservoir modeling costs and other related expenditures on development of oil fields.  
Amortisation for the same is done on a straight line basis over the remaining / extended lease period based, as considered appropriate by the Management, as this method most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset and this method is applied consistently from period to period.  
The company has been granted extension of ten years upto 12 March 2030 to the Production sharing contract (PSC) with respect to the Bakrol and Lohar oilfields under the extant policy of the Government of India dated 28 March 2016. The Production Sharing Contract (PSC) for Indrora field expired on 12 March 2020 and the field was handed over to ONGC on expiry of PSC. The Company's PSC contracts for Karjisan and Ognaj oilfields are valid upto 22 November 2030 and 4 August 2033 respectively. However, the Company is in the process of surrendering the Ognaj oilfield due to the rapid urbanisation in the block area.
- 6 The Covid-19 pandemic is continuing to inflict high economic and human costs causing slowdown of economic activity, locally and globally. Specific to the company, the pandemic did have an impact in the sales volume, more pronounced in April 2020/Q1 FY 21. Despite pandemic, being in the business of essential commodity, all critical supply locations have continued operating even during the lockdown period with health, hygiene and safety measures in place.  
The impact assessment of pandemic is a continuing process given the uncertainties associated with its nature and duration. Being in the nature of essential commodities, using the principles of prudence in applying judgements and estimates, the company expects no significant impact on the continuity of operations of the business on long term basis and expects to recover carrying amount of assets, investments, loans, trade receivables etc. On the Capex front, the company expects to go ahead with its capex plans and ensure execution of the same. The company has adequate funds for meeting its working capital and capex requirements, therefore there are no liquidity concerns.
- 7 The Company's lease for the Bakrol, Lohar and Karjisan oilfields ends in 2030. At expiry of the Lease period, the Company's Management expects to handover the aforementioned Oil Wells in working condition to new operator(s), assuming the leases are not extended in favour of the Company. This is similar to the manner in which the Indrora oilfield was handed over to ONGC during the year FY 2019-20.  
In view of the above, Management believes that the Company would not be required to abandon these fields, with any corresponding abandonment costs. Hence the Company does not recognize any provision for Decommissioning / Site Restoration. However, as per the decisions taken at Management Committee Meeting (MCM) with Directorate General of Hydrocarbons (DGH), the Company creates earmarked funds, each year, in the form of Bank Deposits, towards Site Restoration Fund which is determined on the basis of Production to Reserve ratio. The said deposits are shown as under the Other Bank balances as "Under Lien to Government of India / State Government - For Site Restoration Fund Account".  
Management believes that this treatment provides a more prudent and faithful view of Financial Statements and reflects the economic substance of the transactions, other events and conditions, and not merely the legal form.
- 8 The Company is receiving an interim price for the oil produced from Karjisan field. As per the terms of the Karjisan PSC, the interim price is 70% of the Brent price. Negotiations with Indian Oil Corporation Limited (IOCL) are ongoing to arrive at a final price, so that payment of differential can be realised by the company, inclusive of amounts related to reimbursement of VAT.
- 9 The Board of Directors at their meeting held on 15.02.2021 declared an interim dividend of 50% (i.e. ₹ 5 per equity share) for the F.Y. 2020-2021.
- 10 Previous period figures have been reclassified / regrouped / restated, wherever necessary.
- 11 The figures for the quarter ended 31 March 2021 and 31 March 2020 represent the difference between the audited figures in respect of full financial year and unaudited figures of nine months ended 31 December 2020 and 31 December 2019 respectively.
- 12 The above results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 25 June 2021.

Annexure to our report of even date  
For J.A. Martins & Co.  
Chartered Accountants  
FRN: 010860N

J.A. Martins  
Proprietor  
(M.No. 082051)  
Place : New Delhi  
Date : 25.06.2021



For SELAN EXPLORATION TECHNOLOGY LTD.

  
R. KAPUR  
DIN : 00017172  
Chairman

  
www.selanoil.com





**SELAN**  
EXPLORATION  
TECHNOLOGY LIMITED

Bombay Stock Exchange  
25<sup>th</sup> Floor, P.J. Towers  
Dalal Street  
Mumbai - 400 001  
Scrip Code # 530075

National Stock Exchange of India Ltd.  
5<sup>th</sup> Floor, Exchange Plaza,  
Bandra – Kurla Complex  
Bandra (E), Mumbai – 400 051  
Scrip Code : Selan (Equity)

25 June 2021

Dear Sir :

Sub : Declaration Pursuant to Reg. 33(3)(d) of the SEBI (LODR) Regulations, 2015

I, Vijay Kirpal, CFO of the Company, hereby declare that the Statutory Auditors of the Company, M/s J. A. Martins & Co., Chartered Accountants have issued an Audit Report with unmodified opinion on Audited Standalone Financial Results of the Company for the quarter and year ended 31 March 2021.

Kindly take this declaration on records.

Thanking you.

Yours faithfully

Vijay Kirpal  
CFO