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ANNUAL REPORT 2018-19

SELAN EXPLORATION TECHNOLOGY LIMITED

Late Mr. R. N. Kapur

Founder and Former Chairman

BOARD OF DIRECTORS

Mr. R. Kapur, Chairman

• Mr. T. Currimbhoy • Dr. D. J. Corbishley

• Mr. R. S. Sidhu • Ms. S. Bhagwati Dalal • Mr. M. Singh

CHIEF OPERATING OFFICER

Mr. Arunabh Parasher

CHIEF FINANCIAL OFFICER

Mr. Vijay Kirpal

COMPANY SECRETARY

Ms. Pooja Agnihotri

STATUTORY AUDITORS

J. A. Martins & Company, Chartered Accountants, New Delhi

COST AUDITOR

Mr. R. Krishnan

BANKERS

State Bank of India • Corporation Bank • Kotak Mahindra Bank

REGISTERED OFFICE

J-47/1, Shyam Vihar, Dindarpur, Najafgarh, New Delhi – 110 043

REGISTRAR AND SHARE TRANSFER AGENTS

MCS Share Transfer Agent Ltd., F - 65, First Floor, Okhla Industrial Area Phase – I,
New Delhi – 110 020

DIRECTORS' REPORT

Your Directors have pleasure in presenting the Annual Report for the year ended 31 March 2019.

Financial Review

The Company achieved the following results over the past three years :

(in ₹ lakhs)

	2016-17	2017-18	2018-19
Net Sales	5,584	7,661	9,333
EBIDTA	4,311	5,448	7,470
EBIDTA / Net Sales	77%	71%	80%

Total Reserves and Surplus of the Company have increased from ₹ 278 crores to ₹ 310 crores as on 31 March 2019. The Board has not recommended any transfer to General Reserves from the profits during the year under review.

Review of Operations

The Company has significantly increased profitability and cash flow from operations year over year, due to increased focus on optimizing capital investment in production enhancement, reservoir management, operational excellence supported by improved hydrocarbon prices.

The Company had also submitted its applications for a 10-year extension upto March-2030 of its Production Sharing Contracts for Bakrol, Indrora and Lohar oilfields to DGH as per Ministry of Petroleum and Natural Gas guidelines. Towards this end, the Company is pleased to inform that it has recently received the extension for 10 years for Lohar and Bakrol field. For Indrora field, the extension proposal is under discussion between the Company and DGH.

Organizational enhancement with internationally accomplished management and technical advisory team has been the key factor in delivering these results, with demonstrable improvement in operational execution, better understanding of reservoir geology and production potential as well as more effective deployment of capital.

This helps the Company focus on production enhancement as well as encourages collaboration among the industry, investors, service providers and consultants to bring in new technology, cost and operational efficiency. Towards this end, the Company is working for a robust production optimization exercise to further enhance production from drilling campaigns for significant increases in production. In this regard, the Company is in the process of obtaining detailed approvals for the Bakrol and Karjisan field, and is in ongoing discussions with the DGH towards this end.

Government remains committed to making sustained and significant efforts aimed at liberalizing the sector by simplifying processes, increasing market access and bringing developments in the technology domain with the aim to enhance the efficiency of our oil and gas industry.

Please also refer to the Management Discussion and Analysis section of the Annual Report for further clarification regarding Company's operations and policies.

Final Dividend

The Directors are pleased to inform that in the financial year 2018-19, the Board of Directors have declared an interim dividend of 50% i.e. ₹ 5/- per share, which shall be declared as final dividend for the year 2018-19 subject to approval by the shareholders of the Company in the forthcoming AGM. The dividend together with dividend distribution tax resulted in cash outlay of ₹ 988.55 lakhs.

Transfer to IEPF

Pursuant to applicable provisions of the Companies Act, 2013 ("Act") read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and subsequent amendments thereto ("IEPF Rules"), all unpaid or unclaimed dividends are required to be transferred by the Company to the Investor Education and Protection Fund ("IEPF" or "Fund") established by the Central Government, after completion of seven years from the date of dividend becoming unpaid / unclaimed. Further, according to the Rules, the shares in respect of which dividend has not been paid or claimed by the members for seven consecutive years or more shall also be transferred to the demat account created by the IEPF Authority.

The Company had sent individual notices and also advertised in the newspapers seeking action from the members who have not claimed their dividends for seven consecutive years or more.

During the year, an amount of ₹ 1,804,429 being unclaimed dividend for the Financial Year 2011-12 alongwith 28,658 equity shares were duly transferred to the Fund established by the Central Government.

Members /claimants whose shares and/or unclaimed dividend, have been transferred to the IEPF Demat Account or the Fund, as the case may be, may claim the shares or apply for refund by making an application to the IEPF authority in Form IEPF-5 (available on http://www.iepf.gov.in) along with requisite fee as decided by the IEPF authority from time to time. The member/claimant can file only one consolidated claim in a financial year as per the IEPF Rules.

Members are requested to ensure that they claim the dividends and shares referred above, before they are transferred to the said Fund. Details of shares/shareholders in respect of which dividend has not been claimed, are provided on our website at www.selanoil.com. The shareholders are encouraged to verify their records and claim their dividends of all the earlier seven years, if not claimed.

Year	Amount	Due date for transfer of unclaimed/ unpaid amount of Dividend to IEPF
2012 - 13	1,762,570	07 April 2020
2013 – 14	1,567,280	06 April 2021
2014 – 15	1,567,055	06 April 2022
2015 – 16	1,626,385	10 April 2023
2016 – 17	2,090,215	09 April 2024
2017 – 18	1,540,520	25 March 2025
2018 - 19	1,203,475	23 February 2026

Buyback Of Equity Shares

The Board of Directors at its meeting held on 27 December 2018 unanimously approved the Buyback of fully paid-up equity shares of ₹ 10/- each (hereinafter referred to as "Buyback") at a price not exceeding ₹ 300/- per equity share, payable in cash, upto an aggregate amount not exceeding ₹ 25 crores, representing approximately 8.66 % of the Company's total paid-up Equity Capital and Free Reserves as on 31 March 2018.

Pursuant to the aforesaid Buyback offer, the Company had made a Buy Back of 570,000 equity shares upto 31 March 2019 of which 500,000 equity shares were extinguished as at 31 March 2019 and remaining 70,000 equity shares were extinguished in the month of April 2019. Consequent to the Buyback, the paid-up equity share capital of the Company as on 31 March 2019 has been reduced to 1.59 crores equity shares of ₹ 10/- each. The Buyback Committee constituted by the Board oversees all matters pertaining to the Buyback of equity shares of the Company.

Meetings of the Board & Committees

Please refer the Corporate Governance Report of the Annual Report.

Declaration of Independence by Directors and statement on compliance of Code of Conduct

Declaration given by Independent Directors meeting the criteria of Independence as provided in section 149(6) of the Companies Act, 2013 and regulation 25(8) of the SEBI (LODR) Regulations, 2015 is received and taken on record. The Independent Directors have complied with Code for Independent Directors prescribed in Schedule IV of the Act.

Directors Responsibility Statement

In accordance with the provisions of Section 134(5) of the Companies Act, 2013, the Board of Directors do hereby confirm that in the preparation of the Annual Accounts, the applicable Accounting Standards have been duly complied with and the Directors have selected the necessary accounting policies and applied them consistently. Judgments / estimates have been made that are evenhanded and prudent, so as to give an accurate and rational view of the affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period. The Directors have also taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities, and that the Directors have prepared the annual accounts on a going concern basis. The Directors have laid down internal financial controls to be followed by the Company and such Internal financial controls are adequate and operating effectively. Lastly, the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

Policy on Directors' Appointment and Remuneration

Considering the requirement of skill set on the Board, eminent people having an independent standing in their respective field / profession and who can effectively contribute to Company's business and Policy decisions are considered by Nomination and Remuneration Committee for appointment as Independent Director on the Board. The Committee considers ethical standards of integrity, qualification, expertise and experience of the person for appointment as Director and is not disqualified under Companies Act, 2013 and rules made thereunder and accordingly recommend to the Board his / her appointment.

Remuneration to Whole-Time Director is governed under the relevant provisions of Companies Act, 2013 and rules made thereunder. Independent/ Non-Executive Directors excluding Promoter Directors are paid sitting fees for attending the meetings of the Board / Committees thereof.

The Nomination and Remuneration Committee recommends the remuneration of Directors and Key Managerial Personnel, which is approved by the Board of Directors, subject to approval of shareholders where necessary. The level and composition of remuneration so determined shall be reasonable and sufficient to attract, retain and motivate Directors and Senior Management to run the Company. The objective and broad framework of the Remuneration Policy is to consider and determine the remuneration, based on the fundamental principles of payment for performance, for potential and for growth. The Nomination and Remuneration Policy as approved by the Board may be accessed on Company's website at www.selanoil.com. The Board considers the Nomination and Remuneration Committee's recommendations and takes appropriate decision.

Contracts / Arrangements with Related Parties

All the related party transactions are entered on arm's length basis in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. Details of all related party transactions are reported to the Audit Committee for scrutiny / review and referred for approval of the Board on a quarterly basis. There are no materially significant related party transactions made by the Company with Promoters, Directors or KMP etc. which may have potential conflict with the interest of the Company at large which warrants the approval of shareholders. Accordingly, the disclosure of related party transactions as required under Section 134 (3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable to the Company. Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature. Transactions with related parties are conducted in a transparent manner with the interest of the Company as utmost priority. Details of such transactions are given in the accompanying Financial Statements. The Company's policy on Related Party Transactions is available at our website www.selanoil.com.

Whistle Blower Policy

The Company has adopted a Vigil Mechanism / Whistle Blower Policy to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Policy. This Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee. This policy is available on the Company's website at www.selanoil.com.

Risk Management

Risk Management is a formal and disciplined practice for addressing risk. Selan has in place comprehensive risk assessment and minimization procedures, which are reviewed by Board periodically. The objective of risk management in the Company is to act as an enabler in maintaining its knowledge edge, sustaining and expanding the business, being competitive and ensuring execution of projects within budgeted cost, time and quality, resulting in improved turnover and profitability. The Company has laid down a well defined risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process. It includes identifying risks, assessing their probabilities and consequences, developing management strategies and monitoring their state to maintain situational awareness of changes in potential threats.

Board Evaluation

In compliance with the provisions of the Companies Act, 2013 and Regulation 17(10) of the SEBI (LODR) Regulations, 2015, the Board has carried out an Annual Performance Evaluation of its own performance, Directors individually and that of its Committees. During the year, a Separate Meeting of Independent Directors was held to assess the performance of Non-Independent Director, the Chairperson of the Company as well as the Board as a whole. Performance Evaluation is based on their contribution to Company's objectives and plans, efficient discharge of their responsibilities, participation in Board / Committee meetings and other relevant parameters.

Board of Directors and KMP

During the year under review, Mr. N. Sethi, President & CEO resigned effective 15 January 2019. The Company expresses its appreciation to Mr. Sethi and wishes him the best for the future.

With effect from 01 April 2019, the Board of Directors have appointed Mr. Vijay Kirpal as Chief Financial Officer of the Company in place of Mr. A. K. Maurya.

Ms. Pooja Agnihotri, has been appointed as Company Secretary and Compliance Officer with effect from 20 May 2019 in place of Ms. Meenu Goswami. The Board places on record its appreciation for the services rendered by Ms. Goswami.

Statutory Auditors

M/s J. A. Martins & Co., Chartered Accountants (FRN:010860N), Statutory Auditors of the Company, were appointed in the 32nd AGM to hold office until the conclusion of 37th AGM.

There are no qualifications or reservations or adverse remarks or frauds reported by the Auditors in their Report.

Cost Auditor

In terms of Section 148 of the Companies Act, 2013, the Company is required to have the audit of its cost accounting records conducted by a Cost Accountant. The Board of Directors have on the recommendation of Audit Committee, approved the appointment of Mr. R. Krishnan, Cost Accountant (Membership No. 7799) as the Cost Auditor of the Company for the Financial Year 2019-20 at a remuneration of ₹ 120,000/- per annum. The proposed remuneration of the Cost Auditor shall be ratified by the members in the ensuing AGM. The Cost Audit for the year ended 31 March 2018 was carried out by Mr. R. Krishnan and the report was filed on 23 August 2018. There are no qualifications or reservations or adverse remarks or frauds reported by the Auditors in their Cost Audit Report.

Secretarial Auditor

The Board of Directors of the Company had appointed M/s Nityanand Singh & Co., (CP : 2388), Company Secretaries for Secretarial Audit of the Company for financial year 2018- 19. In terms of provisions of section 204(1) of the Companies Act, 2013, a Secretarial Audit Report forms part of this Annual Report as Annexure-A. There are no qualifications or reservations or adverse remarks or frauds reported by the Auditors in their Secretarial Audit Report.

Internal Auditor

In compliance with the provisions of Section 138 of the Companies Act, 2013, M/s V. Sankar Aiyar & Co., (FRN :109208W) Chartered Accountants were appointed as Internal Auditors for the Financial Year 2018-19 to conduct the internal audit of the functions and activities of the Company. They have submitted their Report to the Chairman of the Audit Committee and this was further reviewed by the Management and taken on record.

Corporate Governance Report

Corporate Governance stems from the belief and realization that corporate citizenship has a set of responsibilities, which must be fulfilled for a company to progress and succeed over the long term. In compliance with the SEBI (LODR) Regulations, 2015, Management Discussion and Analysis and a Report on Corporate Governance alongwith Certificate from Auditors regarding compliance of conditions of Corporate Governance is annexed to Directors' Report. A declaration by the Manager regarding the compliance with the Code of Conduct also forms part of this Annual Report.

Annual Return

Relevant Extract of the Annual Return is given in Annexure-B to this Report. A copy of the Annual Return is placed on the website of the Company at www.selanoil.com.

Loans, Guarantees or Investments

The Company has not given any loan or guarantee or provided securities during the year under report attracting the provisions of Section 186 of the Companies Act, 2013, however details of Investments covered under the provisions of Section 186 of the Companies Act, 2013 form part of the notes to the Financial Statements provided in this Annual Report.

Deposits

The Company has not accepted any deposits during the year under report nor did any deposits remain unpaid or unclaimed at the end of the year.

Internal Financial Controls and their adequacy

As per Section 134(5)(e) of the Companies Act, 2013, the Directors have an overall responsibility for ensuring that the Company has implemented robust system and framework of Internal Financial Controls. This provides the Directors with reasonable assurance regarding the adequacy and operating effectiveness of controls with regard to reporting, operational and compliance risks. The Company has devised appropriate systems and framework including proper delegation of authority, policies and procedures, effective IT systems aligned with business requirements, risk based internal audits, risk management framework and whistle blower mechanism. These are routinely tested and certified by Statutory as well as Internal Auditors. The Audit Committee evaluates the internal financial control systems periodically.

Significant and Material orders passed by the Regulators, Courts, Tribunals, Statutory or Quasi- Judicial bodies

No significant or material orders were passed by the Regulators or Courts or Tribunals or Statutory or Quasi- Judicial bodies which impacts the going concern status and Company's operations in future.

Women Empowerment

SELAN has always believed that appropriate standard of conduct should be maintained by the employees in their conduct and that there should be a safe, indiscriminatory and harassment free (including sexual harassment) work environment for every individual working in the Company. SELAN's 'Policy on Prevention of Sexual Harassment of Women at Workplace' is in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder which provides for protection against sexual harassment of women at workplace and for prevention and redressal of such complaints received by the Company. Internal Complaints Committee has been set up to redress complaints, if any, received regarding sexual harassment. During the year under review, the Company has not received any complaint of sexual harassment from any of the woman employee of the Company.

Audit Committee

The Audit Committee comprises of four members, out of which three are Non-Executive and Independent Directors including the Chairman. The Audit Committee's composition, powers and role are included in Corporate Governance Report. All the recommendations made by the Audit Committee were accepted by the Board of Directors.

CEO / CFO Certification

Mr. R. Kapur, Whole- Time Director and Mr. V. Kirpal, CFO of the Company have certified to the Board that all the requirements of the SEBI (LODR) Regulations, 2015, *inter alia*, dealing with the review of Financial Statements and Cash Flow Statement for the year ended 31 March 2019, transactions entered into by the Company during the said year, their responsibility for establishing and maintaining internal control systems for financial reporting and evaluation of the effectiveness of the internal control systems and making of necessary disclosures to the Auditors and the Audit Committee have been duly complied with.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The activities undertaken by your Company do not fall under the scope of disclosure of particulars under Section 134(3)(m) of the Companies Act, 2013, to the extent where it relates to the conservation of energy and technology absorption. Particulars with regard to foreign exchange outgo appear as point no. 50 of the Notes forming Part of the Accounts.

Material Changes and Commitments

There have not been any material changes and commitments affecting the financial position of the Company between the end of the Financial year of the Company as on 31 March 2019 and the date of this report.

General Information

Please refer to the Management Discussion and Analysis section of the Annual Report.

Capital Structure

Pursuant to Buyback of equity shares of the Company, the Company had made a Buy Back of 570,000 equity shares upto 31 March 2019 of which 500,000 equity shares were extinguished as at 31 March 2019 and remaining 70,000 equity shares were extinguished in the month of April 2019. Consequent to the Buyback, the paid-up equity share capital of the Company as on 31 March 2019 has been reduced from 1.64 crores to 1.59 crores equity shares of ₹ 10 /- each.

The Company has not issued any equity shares or preference shares or any securities which carry a right or option to convert such securities into shares, employee stock options, debentures, bonds or any non-convertible securities, warrants, etc.

Corporate Social Responsibility

The Company has in place CSR Policy in line with Schedule VII of the Companies Act, 2013 which is available at our Company's website www.selanoil.com. Selan is committed to driving societal progress, while fulfilling its business objectives. With safety, health and environment protection high on its corporate agenda, Selan is committed to conduct business with a strong environmental conscience, so as to ensure sustainable development, safe work places and enrichment of life of employees, clients and the community. The Corporate Social Responsibility Committee comprises of five members, out of which four are Non-Executive and Independent Directors including the Chairman. Brief details about the CSR Policy developed and implemented by the Company on CSR initiatives taken during the year is given in Annexure-C to this Report.

Compliance with Secretarial Standards

The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

GENERAL DISCLOSURES

1. Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:
   (a) Issue of shares or other convertible securities.
   (b) Issue of equity shares with differential rights as to dividend, voting or otherwise.
   (c) Issue of equity shares (including sweat equity shares and employee stock options) to employees of the Company, under any scheme.
   (d) Issue of debentures, bonds, warrants or any other non-convertible securities.
2. The Company does not have any subsidiaries. Hence, Whole-time Director of the Company did not receive any remuneration or commission during the year, from any of its subsidiaries.
3. The Company has not revised its Financial Statement and Report during the three preceding financial years.
4. There are no applications filed for corporate insolvency process, by a financial or operational creditor or by the Company itself under the Insolvency and Bankruptcy Code, 2016 before the NCLT.
5. The Company has not obtained any credit rating from any credit rating agency.
6. Disclosures relating to Subsidiaries, Associates and Joint Ventures – Not Applicable.
7. The Company has not commenced any new business nor discontinued / sold or disposed off its existing business.
8. Currently, the Company operates in only one Business Segment that is Production of Crude Oil and Natural Gas. There is no change in the status of the Company and financial year.
9. The Company has not made any acquisition, merger, expansion, modernization or diversification and there is no development or acquisition or assignment of material Intellectual Property Rights.
10. No material event has taken place which has impact on the affairs of the Company.
11. During the financial year ended 31 March 2019, securities of the Company have not been suspended from trading on any of the Stock Exchanges where they are listed.

Personnel

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is provided in Annexure -D.

Acknowledgements

Your Directors would like to express their earnest appreciation for the valuable efforts of every employee at all levels for their hard work, dedication and commitment without which the Company would not have been able to undertake the challenging targets in all areas of operations. The Company believes in empowering its employees through greater knowledge, team spirit and developing greater sense of responsibility. We are fortunate to have such a team whose endeavors have laid a strong foundation for the success of the organization as a whole. Your Directors also wish to place on record their deep sense of appreciation for the committed services by all the employees of the Company.

On behalf of the Company, we wish to convey our appreciation to the Ministry of Petroleum and Natural Gas (MoPNG), Directorate General of Hydrocarbons (DGH), Ministry of Environment and Forests (MoEF), Government of India and the Bankers of the Company for their continuous support, cooperation and guidance. The Directors particularly, wish to acknowledge and place on record the continuous support and guidance of all the shareholders and, more importantly, for the confidence reposed in the Company's management.

For and on behalf of the Board

R. KAPUR
Chairman
(DIN : 00017172)

Place : New Delhi
Date : 29 May 2019

MANAGEMENT DISCUSSION AND ANALYSIS

1. Industry Structure and Developments

India will be the biggest contributor to energy growth demand globally in the years to come and Hydrocarbon is an important component of India's energy basket in future. By 2035, India is likely to be among the fastest growing oil and gas markets, with oil demand almost doubling to ~10 million barrels per day and gas demand tripling over the same period. India today stands strong as one of the fastest growing major economy in the world and will remain so for years to come. The value addition is made through improvements in process capability, casting yields, resource utilization, efficiency and development of new business opportunities. The Company focusses on production enhancement as well as encourages collaboration among the industry, investors, service providers and consultants to bring in new technology, cost and operational efficiency. Selan has invested actively in technology field interventions and personnel over the last two years which has not only reversed the natural decline of its fields but also increased production. Selan is committed to active development of its field operations and maximize its ultimate recovery. During the year, the Company also participated in Bidding under Discovered Small Field Policy Round-II by DGH.

The Government has approved the Policy framework on reforms in exploration and licensing sector for enhancing domestic exploration and production of oil and gas. The decision signals a paradigm shift in the core goal of the Government, moving from revenue-maximization to production-maximization, with focus on exploration. This will incentivize increased investment and production. In order to meet the exploding energy needs of its vast population, India imports a large proportion of its crude oil and gas requirements. It is in this context and in line to the vision of our Hon'ble Prime Minister to cut down India's import dependence for domestic energy needs by 10% in the near future, the Ministry has introduced landmark changes in the Indian Upstream E&P sector by launching a slew of policy initiatives. The launch of Discovered Small Fields (DSF) Policy and Hydrocarbon Exploration and Licensing Policy are a few to name. These new policy framework is characterized by progressive features such as uniform license for all forms of hydrocarbons, low regulatory burden through revenue sharing model, easy entry through DSF, marketing and pricing freedom for all the oil and gas produced so as to ensure a level playing field for the global investor community. Continuing reforms in the oil and gas sector includes further simplification of approval processes, with measures to be initiated for promoting ease of doing business through setting up coordination mechanism and simplification of approval of DGH, alternate dispute resolution mechanism etc.

At Selan, we view these developments positively and consider them to be opportunities for us to leverage our potential and contribute to Nation's energy security in a meaningful way.

2. Outlook

Production Sharing Contracts (PSCs) with the Government of India were signed by SELAN in 1995 for Bakrol, Indrora and Lohar oilfields. Further, the Company was also awarded Contracts for the Karjisan gasfield and the Ognaj oilfield with the Ministry of Petroleum and Natural Gas (MoPNG) in 2004.The Company has most recently received 10 years extension of Production Sharing Contracts of Bakrol and Lohar oilfields. The application for Indrora is currently under review with DGH. The Company has also made ongoing efforts to strengthen its management team.

Selan is committed to making investments in technology and drilling in a phased manner. The Company is actively pursuing various reservoir engineering and production engineering technologies across the globe in an effort to find the most appropriate completions for the new wells being drilled. These can add to the production / life cycle of the wells and help the Company in achieving its volume growth objectives in the coming years.

3. Segment-wise Performance

Currently, the Company operates in only one Business Segment that is Production of Crude Oil and Natural Gas.

4. Operations and Financial Review

The operations and financial review is covered in the Directors' Report and is to be read as a part of this Report itself.

5. Risks and Concerns

(i) Business Risks

Oil sector is a high risk and high return sector. Data acquired for seismic evaluation of oilfields & reservoir modeling involves interpretation by technologically advanced software and equipment which is highly capital intensive and is largely prone to obsolescence. Therefore, the data is constantly being reanalyzed and reinterpreted with modern software and technology to help improve recovery of oil and gas reserves. The interpretation of data is done by using highly sophisticated and technologically advanced systems. However, the results may still be quite unpredictable.

A key aspect of oil and gas Company's strategic planning and decision making is the varying amounts of risk inherent in the available asset investment options. Extending the production of old fields often entails making significant investment in existing pipelines, platforms and hubs to extend their lives. This is also an issue for many new small fields, which require access to existing infrastructure if they are to be economic to develop. Without investment, this key infrastructure will be decommissioned earlier than necessary, potentially meaning recoverable resources are left stranded.

The entire oil and gas value chain requires much more capital than labour to produce results, so it is termed capital-intensive industry. Oil and gas production is highly capital intensive and so the tax treatment of capital expenditure is a key element of the regime.

The Drilling activities are carried out using advanced drilling rigs and ancillary rig equipments. Further, necessary safety and security measures have to be employed prior to any drilling activity. The uneven nature of production is part of what makes the prices of oil and gas so volatile. Other economic factors also play into this, as financial crisis and macroeconomic factors can dry up capital or otherwise affect the industry independently of the usual price risks.

However, the inherent risks of dealing with nature cannot be completely overlooked and therefore drilling activity poses an enormous challenge and risk. The fluctuation in international oil prices as well as in the dollar value of the rupee is another factor which adds to the unpredictability of profits in this industry.

(ii) Project Constraints

The developmental efforts of the Company are also being delayed / hampered due to certain project constraints. Shortage of drilling rigs and associated oilfield services has been a major problem in the region where the Company operates. Due to the limited number of service providers available, the Company is required to tie-up with oilfield service suppliers as much as a year in advance in order to execute its scheduled drilling programmes. The cost of operating in the basin have risen significantly over recent years.

Complying with international tendering procedures, import from abroad of long lead items and lining up of rig and allied services represents a challenging time line.

Another area of concern is urbanization and the delay in land acquisitions, which affects the various development and production activities to be implemented. In view of the rapid town planning and urbanization activities in and around Ognaj block area and consequent impossibility to gain access to land, it has become impossible for the Company to undertake any further operations in the block.

Any unanticipated delays in receiving timely clearances from MoEF and in mobilizing the drilling rig and associated oilfield service is a potential project constraint for the Company.

(iii) Financial, Legal and Contractual Risks

SELAN carries minimum financial risk. Currently, the Company has a policy of using debt financing only for short term requirements besides using its own accumulated reserves.

6. Opportunities and Threats

Government has taken a series of policy decisions to promote exploration and production of oil and gas. They include reassessment of hydrocarbon resources, survey of un-appraised areas of sedimentary basins, setting up of National Data Repository, Hydrocarbon Exploration Licensing Policy, Discovered Small Field Policy, Policy for early monetization of coal bed methane, Policy for exploration and exploitation of unconventional hydrocarbons, Policy to promote and incentivize enhanced oil discovery methods, Reforms in gas pricing, marketing and pricing freedom etc. These policy reforms have been taken by the Government to remove obstacles to investment and incentivize oil and gas sector on the lines of ease of doing business, 'minimum government, maximum governance' and promote Make in India initiative. The oil and gas industry represents one of the most important and complex industry segments in the market and is ready to meet the nation's future energy needs aided with the support of Government. Our focus on efficiency, cost control and operational excellence will yield results during the year as we build a strong foundation for our next phase of growth. New methods and new sources of oil and gas are driving productivity in the Oil and gas industry. Despite the risks, there is still a very real demand for energy and this sector fills part of that demand.

7. Internal Control Systems and their Adequacy

Internal Control is an integral component of an organization's management that provides reasonable assurance of the effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations. Together, our management systems, organizational structures, processes, standards and Code of Conduct and Ethics form the system of internal control that governs how the Company conducts its business and manages the associated risks. The Board has ultimate responsibility for the management of risks and for ensuring the effectiveness of internal control systems. This system forms an integral part of the entire cycle of planning, budgeting, management, accounting and auditing. It supports the effectiveness and the integrity of every step of the process and provides continuous feedback to management. The Company carefully considers the appropriate balance between controls and risk in their programs and operations. The internal controls are designed to ensure that financial and other records are reliable for preparing financial information and other data and for maintaining accountability of assets. We treasure integrity and transparency as the core value in all our business dealings. We have dedicated Internal Auditors who make sure that transactions taking place under due authority / power are received and reported in a prudent manner. These systems are reviewed by the Audit Committee in its quarterly meetings and suggestions are given to strengthen and regularly improve their application, keeping in view the dynamic business environment. Internal and external audits are conducted on a regular basis to ensure transparency and statutory compliance. During the year, due care has been exercised by the Company with respect to all the requirements of the Company Law and SEBI (LODR) Regulations, 2015.

8. Human Resources Development / Industrial Relations

Human Resources is Company's greatest strength and foundation for long-term success. SELAN has always considered its employees as its key resource and the major driving force behind the performance and success of the Company. Selan promotes a good work morale and encourages its employees to show their co-workers and others appropriate respect, tolerance and a pleasant manner. Building of managerial and technical competencies is an area of constant focus. It has a simple hierarchy system, due to which the decision- making process becomes quicker and simpler, mitigating the losses due to lengthy and time-consuming decision- making processes. Our Company believes that it is the quality and dynamism of its Human Resource that will enable it to make a significant contribution in creating enlarged societal value and this is an integral part in charting the success story of the Company. The Company has a total strength of 29 employees as on 31 March 2019. We constantly strive to improve our operations, integrate our business through the value chain and optimize our performance through operational efficiencies and innovative technological solutions. We employ these tools to further ensure that our operations have a positive impact on our stakeholders and, more broadly, society.

The Company continues to set a fine record of industrial harmony with positive outcomes of effective performance. For now, and hopefully in the future, the Company foresees no major internal or external developments in this area which shall adversely affect the business of the Company.

9. Disclosure of Accounting Treatment

The Financial Statements have been prepared in accordance with the Companies (Indian Accounting Standard) Rules, 2015 (Ind AS) prescribed under Section 133 of Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable.

10. Details of significant changes in Key Financial Ratios, alongwith detailed explanations, therefore, including:

Particulars	2019	2018
Current Ratio	27.15x	17.99x
Average Collection Period (in days)	70	73
Inventory Turnover Ratio	10.46x	7.42x
Operating Margin (%)	48.12%	36.98%
Net Profit Margin (%)	53.30%	27.41%
Basic Earning Per Share	31.54	13.45
PE Ratio	5.7	14.1

(a) Current Ratio has increased on account of increase in fair market value of current financial assets (investment in mutual funds) and liquidity generated in the form of cash profits during the year.

(b) Inventory Turnover Ratio has increased due to lower average inventory of crude oil in fiscal 2019 as compared to fiscal 2018.

(c) Current year's operating revenue at ₹ 9,663.82 Lakhs was 20% higher compared to last year's ₹ 8,046.82 Lakhs due to increase in Crude price in international market and US $ appreciation in terms of Indian Rupee resulting in profits from continuing operations (EBIT) at ₹ 4,650.58 Lakhs being 56% higher than previous year's ₹ 2,975.63 Lakhs.

(d) Net profit after tax at ₹ 5,151.16 Lakhs was 133.54 % higher as compared to previous year's ₹ 2,205.67 Lakhs due to increase in revenue from operations, income on account of changes in value of current investment and reversal of Deferred Tax Liabilities during the year.

(e) Price Earning ratio is computed as share price divided by basic earnings per share. PE ratio has decreased on account of decrease in market price of share and increase in Basic EPS on fiscal 2019 to fiscal 2018.

11. Details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof.

Particulars	2019	2018
Return on Net Worth	16.6%	7.7%

Return on net worth is computed as net profit by average net worth. Net Profit has increased from ₹ 2,205.67 Lakhs to ₹ 5,151.16 Lakhs. Additionally, the buyback has resulted in an increase in return on net worth.

CORPORATE GOVERNANCE

1. SELAN's philosophy on Code of Governance

Selan is committed to good Corporate Governance and endeavors to implement the Code of Corporate Governance in its true spirit, which goes beyond mere regulatory compliances. Our Philosophy on Corporate Governance is based on formulation of Integrity, Excellence and Ethical values which have been in practice since inception. The Company has in place processes and systems whereby the Company complies with the requirements of Corporate Governance under the SEBI (LODR) Regulations, 2015.

2. Board of Directors

a) Composition of Board

The Board of Directors of the Company comprises of :

- One Executive Director
- Five Non – Executive Independent Directors

Name of Director	Executive/ Non– Executive/ Independent	Number of Committee Memberships in other Companies		Attendance in Board Meetings	Attendance in Last AGM
		Chairman	Member		
R. Kapur DIN:00017172	Chairman and Whole-Time Director	-	-	07	Yes
M. Singh DIN:07585638	Non – Executive and Independent Director	-	-	07	Yes
T. Currimbhoy * DIN:00729714	Non – Executive and Independent Director	-	-	03	No
R. S. Sidhu DIN:00121906	Non – Executive and Independent Director	-	-	06	Yes
D. J. Corbishley* DIN:06515723	Non – Executive and Independent Director	-	-	01	Yes
S. Bhagwati Dalal DIN:01105028	Non- Executive and Independent Director	-	02	01	No

* Foreign Directors.

Note:- Directorships in Foreign Body Corporates, Private Limited Companies and Associations are excluded.
- None of the Director is related to the other Directors.

b) Core skills / expertise / competencies identified by the Board of Directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board are as follows

- Vision: The Company's Directors are visionary leaders who always see the big picture. They are able to inspire the employees to emulate them and perform at optimum levels.
- Calculated Risk Factor: The Directors have the ability to recognize when it makes sense to take a risk, and when that risk can be worth it.
- The Directors are open to learn and implement new things.
- Keen observation.
- The Directors have effective leadership qualities.
- They are Action oriented.
- The Company has Board with strong ethics.

In the opinion of the Board, the Independent Directors fulfill the conditions specified in SEBI (LODR) Regulations, 2015 and are independent of the management.

No Independent Director has resigned before the expiry of his tenure.

c) Number of Board Meetings held and the dates on which held

There were seven Board Meetings held during the financial year 2018-19. The dates on which the meetings were held are : 15 May 2018, 12 July 2018, 08 August 2018, 01 November 2018, 27 December 2018, 31 January 2019 and 27 February 2019. Maximum time gap between two consecutive meetings did not exceed 120 days. The necessary quorum was present for all the meetings.

d) Directors' Shareholding

Details of Directors' Shareholding in the Company as on 31 March 2019 are as follows:

Name of Director	Number of Shares
R. Kapur, Whole -Time Director	86,846

e) Other listed entities where Director of the Company is a Director

Name of Director	Name of other listed entities
S. Bhagwati Dalal	Greenply Industries Limited (Non – Executive and Independent Director)
	Greenlam Industries Limited (Non – Executive and Independent Director)

f) Familiarisation Programme for Independent Directors

The Company's Policy of conducting the Familiarisation Programme and the details of Familiarisation Programmes imparted to Independent Directors during Financial Year 2018-19 have been disclosed on the website of the Company at http://www.selanoil.com/wp-content/uploads/2019/04/FAMILIARIZATION-PROGRAMME-FOR-INDEPENDENT-DIRECTORS.pdf

3. Committees of the Board

The Company has constituted various Committees for smooth functioning of the Board. The composition of all the Committees is in accordance with provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

(a) Audit Committee

The Audit Committee comprises of four members, out of which three are Non-Executive and Independent Directors, including the Chairman. Four meetings of Audit Committee were held during the year viz. on 15 May 2018, 13 July 2018, 01 November 2018 and 31 January 2019. The composition of the Committee and details of their attendance at the meetings is as follows:

Name of Director	Number of Meetings	
	Held	Attended
D. J. Corbishley	4	1
M. Singh (Chairman)	4	4
R. Kapur	4	4
T. Currimbhoy	4	3

Brief description of terms of reference:

- Review of the financial reporting process and the Company's financial statements.
- Review of the adequacy of accounting records as maintained in accordance with the provisions of the Companies Act, 2013.
- Review of the adequacy of internal control systems.

- The detailed terms of reference of Audit Committee covers the areas mentioned under Part C of Schedule II of the SEBI (LODR) Regulations, 2015 as well as Section 177 of the Companies Act, 2013.

(b) Nomination and Remuneration Committee

The Nomination and Remuneration Committee assists the Board in overseeing the method, criteria and quantum of compensation for Directors and Senior Management based on their performance and defined assessment criteria. The detailed terms of reference of the Committee covers the areas mentioned under Part D of Schedule II of SEBI (LODR) Regulations, 2015 as well as Section 178 of the Companies Act, 2013. The Committee met twice during the year on 15 May 2018 and 27 December 2018. The composition of the Committee and details of their attendance at the meeting is as follows:

Name of Director	Number of Meetings	
	Held	Attended
M. Singh	2	2
R. Kapur	2	2
D.J. Corbishley (Chairman)	2	-
T. Currimbhoy	2	1

Performance Evaluation

As stipulated by the Code of Independent Directors under the Companies Act, 2013, and the SEBI (LODR) Regulations, 2015, Annual Evaluation was conducted by the Board of its own performance and that of its Committees and Individual Directors. A Separate Meeting of Independent Directors was held on 31 January 2019 to assess the performance of Non-Independent Director and the Chairperson of the Company and the Board as a whole. The performance evaluation of all the Independent Directors was conducted by the entire Board, excluding the Director being evaluated. The overall consensus was the performance of Directors, which was significant and it clearly met the guidelines issued by SEBI. Performance Evaluation is based on their contribution to Company's objectives and plans, efficient discharge of their responsibilities, participation in Board / Committee meetings and other relevant parameters.

Remuneration of Directors

- There was no pecuniary relationship or transaction between the Non-Executive Directors and the Company during the Financial Year 2018-19 excluding Dr. D. J. Corbishley, Non-Executive Director who was paid Consultancy Fee as disclosed in Note No. 45.
- Independent / Non-Executive Directors excluding Promoter Directors of the Company are paid Sitting fee for attending the meetings of the Board / Committees subject to ceiling / limits as provided under Companies Act, 2013 and rules made thereunder.
- Payment of remuneration to Whole - Time Director is governed by the terms and conditions of his appointment as recommended by the Nomination and Remuneration Committee and approved by the Board subject to the approval of Shareholders and the Central Government, where applicable. The Whole-Time Director was paid remuneration during the year as disclosed in Note no. 45 of Notes on Accounts. Details of remuneration of Directors for the year ended 31 March 2019 are as follows:

(in ₹)

Name of Director	Salary, Allowances & Perquisites	Sitting Fees paid	Total
D. J. Corbishley	-	100,000	100,000
M. Singh	-	750,000	750,000
R. S. Sidhu	-	650,000	650,000
S. Bhagwati Dalal	-	100,000	100,000
T. Currimbhoy	-	350,000	350,000

(c) Stakeholders Relationship Committee

The terms of reference of this Committee are wide enough covering the matters specified under the SEBI (LODR) Regulations, 2015 and the Companies Act, 2013. The Committee met four times during the year on 14 May 2018, 13 July 2018, 07 August 2018 and 26 December 2018. The Committee comprises of Mr. M. Singh (Chairman, Non-Executive and Independent Director), Mr. R. Kapur, Dr. D.J. Corbishley and Mr. R. S. Sidhu.

Particulars	As on 31 March 2019
No. of shareholders' complaints received	04
No. of complaints not solved to the satisfaction of Shareholders	Nil
No. of pending complaints	Nil

The Company has designated an e-mail Id of the Compliance Officer, specifically, to look after investor grievances and to resolve them in a speedy manner, in compliance with the SEBI (LODR) Regulations, 2015.

Compliance Officer

Name : Ms. Pooja Agnihotri

Designation : Company Secretary

E-mail Id : investors@selanoil.com

(d) Corporate Social Responsibility Committee

Please refer to the Annexure-C of this Report.

(e) Buyback Committee

The Board has established a Buyback Committee comprising of Mr. M. Singh as Chairman and Mr. R. Kapur, Mr. R. S. Sidhu and Mr. V. Kirpal as members to review the Buyback programme undertaken by the Company. The Committee met once during the year on 28 December 2018 and Mr. M. Singh and Mr. R. S. Sidhu were present at the meeting.

4. General Body Meetings

a) Location and time for last three Annual General Meetings were :

Year	AGM	Location	Date	Time
2015-16	AGM	Ashok Country Resort, New Delhi	28.09.2016	10:00 a.m.
2016-17	AGM	Ashok Country Resort, New Delhi	10.08.2017	10:00 a.m.
2017-18	AGM	Ashok Country Resort, New Delhi	12.07.2018	10:00 a.m.

b) Whether any Special Resolutions (SR) passed in the previous three AGMs : Yes

c) Whether any Special Resolution passed last year through postal ballot : None

d) Whether any Special Resolution is proposed to be conducted through postal ballot : No

5. Means of Communication

a)	Quarterly Results	Published in the newspapers every quarter
b)	Newspapers wherein results normally published	Financial Express and Jansatta
c)	Any website, where results are displayed	www.selanoil.com
d)	Whether it also displays official news releases	Yes
e)	Presentations made to institutional investors or to the analysts	A Corporate presentation is available on website of the Company
f)	NEAPS and BSE (listing centre)	Periodical and event based compliance filings
g)	SCORES	Portal for investors' complaints

6. General Shareholder Information

a) Annual General Meeting :

- Date and Time To be decided
- Venue To be decided

b) Financial Year:

The Financial Year under review covers the period from 01 April 2018 to 31 March 2019.

Calendar for financial year 2019-20 (tentative):

Annual General Meeting	To be decided
Results for quarter ending 30 June 2019	Second week of August, 2019
Results for quarter ending 30 September 2019	Second week of November, 2019
Results for quarter ending 31 December 2019	Second week of February, 2020
Results for quarter ending 31 March 2020	Fourth week of May, 2020

c) Dividend:

During the year 2018-19, the Board of Directors of the Company had declared an interim dividend of 50% i.e. ₹ 5/- per share. This has been paid to the shareholders on 24 January 2019. This is now being put for approval of the shareholders as final dividend for the year 2018-19 at the forthcoming AGM.

d) Listing of Equity Shares on Stock Exchanges:

BSE Ltd. and National Stock Exchange of India Ltd. (NSE), Mumbai.

The Company had paid the requisite Annual Listing Fees to the Stock Exchanges.

e) Stock Code:

Scrip Code on NSE : SELAN

Scrip Code on BSE : 530075

f) Stock Market Data

National Stock Exchange (NSE)				
Month	Share Price (in ₹)		Nifty	
	High	Low	High	Low
Apr 2018	260.60	191.80	10,759.00	10,111.30
May 2018	277.90	202.30	10,929.20	10,417.80
Jun 2018	209.70	175.30	10,893.25	10,550.90
Jul 2018	213.95	180.55	11,366.00	10,604.65
Aug 2018	278.00	191.75	11,760.20	11,234.95
Sep 2018	274.60	205.95	11,751.80	10,850.30
Oct 2018	239.00	200.05	11,035.65	10,004.55
Nov 2018	242.80	174.00	10,922.45	10,341.90
Dec 2018	200.70	160.15	10,985.15	10,333.85
Jan 2019	202.95	163.25	10,987.45	10,583.65
Feb 2019	176.00	159.25	11,118.10	10,585.65
Mar 2019	192.65	170.00	11,630.35	10,817.00

g) During the period i.e. 01 April 2018 to 31 March 2019, Selan's stock price on NSE fell by 7.19% and by 6.44% on BSE, whereas NSE (NIFTY) rose by 13.82% and BSE (Sensex) rose by 16.29%.

h) Registrar and Transfer Agents :
MCS Share Transfer Agent Limited
F – 65, First Floor
Okhla Industrial Area, Phase – I
New Delhi – 110 020
Tel # 011 - 4140 6149 Fax # 011 - 4170 9881
E- mail : helpdeskdelhi@mcsregistrars.com

i) Share Transfer System :
Share transfer requests received in physical form with demat requests or without demat requests are registered within an average of 15 days from the date of receipt.

j) Distribution of shareholding as on 31 March 2019

Category	No. of Shares Held as on 31.03.2019	% Holding
Promoters :		
- Indian	4,487,000	28.22
- Foreign	86,846	0.55
Mutual Funds / AIF	330,500	2.08
Financial Institution / Banks	14,391	0.09
Foreign Institutional Investors	366,473	2.31
Private Corporate Bodies	1,429,942	8.99
Indian Public	8,437,207	53.07
Trusts and Foundations	4,850	0.03
NRIs / OCBs	606,445	3.81
NBFCs	19,700	0.12
IEPF	116,646	0.73
GRAND TOTAL	**15,900,000**	**100.00**

Note : The outstanding share capital as on 31 March 2019 is after considering extinguishment of 500,000 (out of 570,000 equity shares bought back till 31 March 2019) equity shares pursuant to Buyback.

k) Dematerialization of shares:

97.32 % of the outstanding shares have been dematerialized upto 31 March 2019.

l) Liquidity :

The shares of the Company are listed on BSE Ltd. and the National Stock Exchange of India Ltd. (NSE). The shares of the Company are adequately liquid.

m) Outstanding ADRs / GDRs / Warrants or any convertible instruments, conversion date and likely impact on equity: Not Applicable

n) Commodity price risk / foreign exchange risk and hedging activities :

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. However, the Company has not undertaken any hedging activities.

o) Field Locations :

Bakrol, Indrora and Lohar oilfields in the State of Gujarat. The Company also has Ognaj oilfield and Karjisan gasfield situated in the State of Gujarat.

p) Address for Correspondence :

- For transfer of physical shares, request for dematerialisation of shares, change of mandates / address or any other query:

  MCS Share Transfer Agent Limited
  Unit : Selan Exploration Technology Ltd.
  F – 65, First Floor,
  Okhla Industrial Area, Phase – I
  New Delhi – 110 020

- Any query on the Annual Report :
  E- mail : investors@selanoil.com

7. Other Disclosures

a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of the company at large :

There are no materially significant related party transactions made by the Company with Promoters, Directors or KMP etc. which may have potential conflict with the interest of the Company at large which warrants the approval of shareholders.

Dr. D. J. Corbishley, Director was paid Consultancy Fee and Mr. R. Kapur, the Whole-Time Director was paid remuneration during the year as disclosed in Note No. 45 of Notes on Accounts.

b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI, or any statutory authority, on any matter related to capital markets, during the last three years : None

c) Whistle Blower Policy : The Company has a Vigil Mechanism / Whistle Blower Policy to provide a formal mechanism to the Directors and Employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Policy. This policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.

d) The Company has complied with all the mandatory requirements specified in the regulations.

e) Web link where policy for determining 'material' subsidiaries is disclosed : Not Applicable.

f) Web link where policy on dealing with related party transactions is disclosed : The Related Party Transactions Policy is uploaded on the Company's website at : http://www.selanoil.com/wp-content/uploads/2019/02/Related-Party-Transaction-Policy.pdf

g) Disclosure of Commodity price risks and commodity hedging activities : The Company has not undertaken any hedging activities.

h) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) : Not Applicable

i) A certificate from a Company Secretary in practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board / Ministry of Corporate Affairs or any such statutory authority: Duly enclosed as Annexure- E

j) Where the Board had not accepted any recommendation of any committee of the Board which is mandatorily required, in the relevant financial year : The Board has accepted all recommendations of Committees of the Board.

k) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the Statutory Auditors and all entities in the network firm/network entity of which the Statutory Auditors is a part: ₹ 15.60 lakhs per annum.

l) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

   a. number of complaints filed during the financial year : Nil

   b. number of complaints disposed of during the financial year : Nil

   c. number of complaints pending as on end of the financial year : Nil

8. There has been no instance of non-compliance of any requirement of Corporate Governance Report.

9. Non - mandatory requirements:

- The Chairman of the Company is an Executive Director.
- The Company does not send Half-yearly declaration of financial performance to each household of shareholders as the Quarterly financial results are displayed on the Company's website.
- There are no audit qualifications for the year under review.
- The Internal Auditor reports directly to the Audit Committee.

10. The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation 2 of Regulation 46 of the SEBI (LODR) Regulations, 2015.

11. Disclosure with respect to demat suspense account / unclaimed suspense account : Not Applicable

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for its Board of Directors and Senior Executives. The above mentioned Code is available on the website of the Company.

I confirm that the Company has in respect of the financial year ended 31 March 2019, received from the Senior Management team of the Company and the members of the Board, a declaration of compliance with the Code of Conduct as applicable to them.

Place : New Delhi
Date : 10 April 2019

P. S. Oberoi
Manager

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Selan Exploration Technology Limited

1. We have examined the compliance of the conditions of Corporate Governance by Selan Exploration Technology Limited ('the Company') for the year ended on 31 March 2019, as stipulated in Schedule V(C) of SEBI (LODR) Regulations, 2015.
2. The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to review of 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 statement of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has, in all material respects, complied with the conditions of Corporate Governance as stipulated in Schedule V(C) of SEBI (LODR) Regulations, 2015 pursuant to the Listing Agreement of the said Company with Stock Exchanges.
4. 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 J. A. Martins & Co.
Chartered Accountants
(Firm's Regn. No. 010860N)

Place : New Delhi
Date : 29 May 2019

J. A. Martins
Proprietor
(M. No. 082051)

Form No. MR-3

Annexure - A

SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31 March 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members
Selan Exploration Technology Limited
J- 47/1, Shyam Vihar, Dindarpur,
Najafgarh, New Delhi-110043

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Selan Exploration Technology Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliance and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31 March 2019, complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31 March 2019, in accordance to the provisions of:

I. The Companies Act, 2013 (the Act) and the Rules made thereunder; to the extent applicable.

II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company :-

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

   d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

   e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

   f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

   g. The SEBI (LODR) Regulations, 2015; and

VI. Other Laws which are applicable to the Company:

   - The Employees' Provident Fund & Miscellaneous Provisions Act, 1952.
   - The Employees State Insurance Act, 1948.
   - The Payment of Gratuity Act, 1972.
   - The Labour Laws and Law relating to Payment of Wages.
   - Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013.
   - Miscellaneous Acts:
     a) The Petroleum Act, 1934.
     b) The Petroleum & Natural Gas Rules, 1959 and amendments thereunder.
     c) The Oilfields (Regulations and Development) Act, 1948.
     d) The Oil Industry (Development) Act, 1974.
     e) The Water (Prevention and Control of Pollution) Act, 1974.
     f) The Air (Prevention and Control of Pollution) Act, 1981.
     g) The Environment (Protection) Act, 1986.
     h) The Factories Act, 1948.
     i) The Industries (Development & Regulation) Act, 1951.

VII. Management has, in its Representation Letter, identified and confirmed the applicability and compliance of all laws as being specifically applicable to the Company, relating to Labour/ Pollution/Environment/Production process etc, apart from other general laws.

We have also examined compliance with the applicable clauses of the following:

i) Mandatory Secretarial Standards issued by The Institute of Company Secretaries of India.

ii) Listing Agreements entered into by the Company with Stock Exchanges.

We further report that :

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

During the period, all the decisions in the Board meetings were carried out unanimously.

We further report that, based on review of compliance mechanism established by the Company and on the basis of compliance certificates issued by the Company Executives and taken on record by the Board of Directors and Audit Committee at their meetings, there are adequate systems and processes in the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the Company had made a Buy Back of 570,000 equity shares upto 31 March 2019 out of which 500,000 equity shares were extinguished as at 31 March 2019. The Issued and paid up capital of the Company after extinguishment stands reduced to ₹ 159,000,000/- comprising of 15,900,000 Equity shares of ₹ 10/- each. The said event deemed to have major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

There has been no instance of :

- Public/Rights/Preferential issue of shares/debentures/sweat equity.
- Major decision taken by the members in pursuance to section 180 of the Companies Act, 2013
- Merger/amalgamation/reconstruction etc.
- Foreign technical collaborations.

For Nityanand Singh & Co.,
Company Secretaries

Place : New Delhi
Date : 01 May 2019

Nityanand Singh (Prop.)
FCS No.: 2668/ CP No. : 2388

Form No. MGT - 9

Annexure - B

EXTRACT OF ANNUAL RETURN

for the financial year ended on 31 March 2019

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I REGISTRATION AND OTHER DETAILS

1.	Corporate Identity Number (CIN) of the Company	L74899DL1985PLC021445
2.	Registration Date	05 July 1985
3.	Name of the Company	Selan Exploration Technology Limited
4.	Category / Sub- Category of the Company	Public Company limited by shares/ Indian Non- Government Company
5.	Address of the Registered office and contact details	J- 47/1, Shyam Vihar, Dindarpur, Najafgarh, New Delhi - 110043, Telefax : 4200326
6.	Whether listed company	Yes (listed on BSE Ltd. and National Stock Exchange of India Ltd.)
7.	Name, address and contact details of Registrar and Transfer Agent, if any	MCS Share Transfer Agent Limited, F-65, First Floor, Okhla Industrial Area, Phase - 1, New Delhi - 110020; Tel : 011- 41406149, Fax : 011- 41709881

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated

S.No.	Name & Description of main products/ services	NIC Code of the Product/ Service	% to total turnover of the company
1	Extraction of Crude Oil	061	91%
2	Extraction of Natural Gas	062	9%

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES : NIL

IV SHAREHOLDING PATTERN (Equity Share Capital breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of shares held on 01 April 2018				No. of shares held on 31 March 2019				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
(1) Indian									
Individual/HUF	2,986,000	-	2,986,000	18.2073	2,986,000	-	2,986,000	18.7799	0.5726
Central Government	-	-	-	-	-	-	-	-	-
State Government(s)	-	-	-	-	-	-	-	-	-
Bodies Corporate	1,501,000	-	1,501,000	9.1524	1,501,000	-	1,501,000	9.4403	0.2879
Banks/Financial institutions	-	-	-	-	-	-	-	-	-
Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	4,487,000	-	4,487,000	27.3597	4,487,000	-	4,487,000	28.2202	0.8605

Category of Shareholders	No. of shares held on 01 April 2018				No. of shares held on 31 March 2019				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(2) Foreign									-
NRIs - Individuals	86,846	-	86,846	0.5295	86,846	-	86,846	0.5462	0.0167
Other - Individuals	-	-	-	-	-	-	-	-	-
Bodies Corporate	-	-	-	-	-	-	-	-	-
Banks/ Financial Institutions	-	-	-	-	-	-	-	-	-
Any other	-	-	-	-	-	-	-	-	-
Sub - total (A)(2)	86,846	-	86,846	0.5295	86,846	-	86,846	0.5462	0.0167
Total shareholding of Promoters (A)=(A)(1)+(A)(2)	**4,573,846**	**-**	**4,573,846**	**27.8892**	**4,573,846**	**-**	**4,573,846**	**28.7664**	**0.8772**
B. Public Shareholding									
(1) Institutions									
Mutual Funds	16,276	-	16,276	0.0992	40,882	-	40,882	0.2571	0.1579
Banks/ Financial Institutions	27,924	-	27,924	0.1703	14,391	-	14,391	0.0905	(0.0798)
Central Government	-	-	-	-	-	-	-	-	-
State Government(s)	-	-	-	-	-	-	-	-	-
Venture Capital Funds	-	-	-	-	-	-	-	-	-
Insurance Companies	-	-	-	-	-	-	-	-	-
FIIs/ FPI	352,487	-	352,487	2.1493	366,473	-	366,473	2.3049	0.1556
Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
Others- (specify)	-	-	-	-	-	-	-	-	-
Alternate Investment Funds	434,618	-	434,618	2.6501	289,618	-	289,618	1.8215	(0.8286)
Sub-total (B)(1)	831,305	-	831,305	5.0690	711,364	-	711,364	4.4740	(0.5950)
(2) Non-Institutions									
(a) Bodies Corporate	1,845,972	1,270	1,847,242	11.2637	1,429,942	-	1,429,942	8.9933	(2.2703)
(b) Individuals									
(i) Individual shareholders holding nominal share capital up to ₹ 1 lakh	5,416,569	410,240	5,826,809	35.5293	5,902,567	347,419	6,249,986	39.3081	3.7788
(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	24,658,67	28,886	2,494,753	15.2124	2,158,335	28,886	2,187,221	13.7562	(1.4563)
(c) Others (Specify)									
NBFC	103,009	-	103,009	0.6281	19,700	-	19,700	0.1239	(0.5042)
Trusts & Foundations	1,550	-	1,550	0.0095	4,850	-	4,850	0.0305	0.0211
Non Resident Individual	576,953	55,885	632,838	3.8588	598,654	7,131	605,785	3.8100	(0.0488)
OCB	-	660	660	0.0040	-	660	660	0.0042	0.0002
IEPF	87,988	-	87,988	0.5365	116,646	-	116,646	0.7336	0.1971
Sub-total (B)(2)	10,497,908	496,941	10,994,849	67.0418	10,230,694	384,096	10,614,790	66.7597	(0.2821)
Total Public Shareholding (B)=(B)(1)+(B)(2)	**11,329,213**	**496,941**	**11,826,154**	**72.1107**	**10,942,058**	**384,096**	**11,326,154**	**71.2337**	**(0.8770)**
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**15,903,059**	**496,941**	**16,400,000**	**100**	**15,515,904**	**384,096**	**15,900,000**	**100**	**-**

Note : The outstanding share capital as on 31 March 2019 is after considering extinguishment of 500,000 (out of 570,000 equity shares bought back till 31 March 2019) equity shares pursuant to buyback.

(ii) Shareholding of Promoters

Shareholder's Name	No. of shares held on 01 April 2018			No. of shares held on 31 March 2019			% Change in shareholding during the year
	No. of shares	% of total shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of shares	% of total shares of the Company	% of Shares Pledged/ encumbered to total shares	
Winton Roavic LLP	1,501,000	9.1524	-	1,501,000	9.4403	-	0.2879
Raj Kapur	1,206,000	7.3536	-	1,206,000	7.5849	-	0.2313
R. Kapur	86,846	0.5295	-	86,846	0.5462	-	0.0167
Rohini Kapur	1,780,000	10.8537	-	1,780,000	11.1950	-	0.3413
Total	**4,573,846**	**27.8892**	**-**	**4,573,846**	**28.7663**	**-**	**0.8772**

(iii) Change in Promoters' Shareholding

Shareholder's Name	Shareholding at the beginning of the year		Date / Week Traded	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year		Shareholding at the end of the year	
	No. of shares	% of total shares of the Company				No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
Winton Roavic LLP	1,501,000	9.1524	-	-	No Change	1,501,000	9.4403	1,501,000	9.4403
Raj Kapur	1,206,000	7.3536	-	-	No Change	1,206,000	7.5849	1,206,000	7.5849
R. Kapur	86,846	0.5295	-	-	No Change	86,846	0.5462	86,846	0.5462
Rohini Kapur	1,780,000	10.8537	-	-	No Change	1,780,000	11.1950	1,780,000	11.1950

(iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Shareholder's Name	Shareholding at the beginning of the Year		Date / Week traded	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year		Shareholding at the end of the Year	
	No. of shares	% of total shares of the Company				No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
Baring Private Equity India AIF	289,618	1.7660	-	-	No change	289,618	1.8215	289,618	1.8215
Esvee Capital	205,634	1.2539	01.03.2019	13,985	Purchase	219,619	1.3813	219,619	1.3813
Yodhan Sachdev	224,000	1.3658	01.03.2019	(23,000)	Sale	201,000	1.2641		
			08.03.2019	(28,000)	Sale	173,000	1.0880	173,000	1.0880
Nandi Cylinders Pvt Ltd	0	0	22.06.2018	150,000	Purchase	150,000	0.9434	150,000	0.9434
Tarra Fund	146,853	0.8954	-	-	No change	146,853	0.9236	146,853	0.9236
Paulastya Sachdev	170,000	1.0366	08.03.2019	(23,000)	Sale	147,000	0.9245		
			22.03.2019	(11,000)	Sale	136,000	0.8553	136,000	0.8553
Rajasthan Global Securities Private Limited	261,585	1.5950	06.04.2018	(180,235)	Sale	81,350	0.5116		
			04.05.2018	10,094	Purchase	91,444	0.5751		
			01.06.2018	144,000	Purchase	235,444	1.4808		
			31.08.2018	(14,967)	Sale	220,477	1.3866		
			07.09.2018	(30,000)	Sale	190,477	1.1980		
			29.09.2018	(39,955)	Sale	150,522	0.9467		
			09.11.2018	(47,001)	Sale	103,521	0.6511		
			28.12.2018	39,717	Purchase	143,238	0.9008		
			31.12.2018	(12,966)	Sale	130,272	0.8193		
			04.01.2019	(430)	Sale	129,842	0.8166		
			30.03.2019	39,000	Purchase	168,842	1.0619	168,842	1.0619

Satish Kumar Subbiah	88,000	0.5366	06.04.2018	10,027	Purchase	98,027	0.6165		
			13.04.2018	1,973	Purchase	100,000	0.6289		
			20.04.2018	8,000	Purchase	108,000	0.6792		
			25.05.2018	4,000	Purchase	112,000	0.7044	112,000	0.7044
Sanghvi Cylinders Private Limited	94,177	0.5742	-	-	No change	94,177	0.5923	94,177	0.5923
Prescient Securities Private Limited	89,100	0.5432	-	-	No change	89,100	0.5604	89,100	0.5604

Note : Difference in percentage at the end of the year is due to ongoing Buyback of the Company.

(v) Shareholding of Directors and Key Managerial Personnel :

For each of the Directors and KMP	Shareholding at the beginning of the year		Date / Week Traded	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year		Shareholding at the end of the year	
	No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
Shareholding of Directors									
R. Kapur	86,846	0.5295	-	-	No Change	86,846	0.5462	86,846	0.5462
D. J. Corbishley	NONE								
M. Singh	NONE								
R. S. Sidhu	NONE								
S. Bhagwati Dalal	NONE								
T. Currimbhoy	NONE								
Shareholding of KMP									
P. S. Oberoi (Manager)	NONE								
A. K. Maurya (CFO)[a]	NONE								
Meenu Goswami (CS)	NONE								
N. Sethi (CEO)[b]	31,997	0.1951	30.08.2018	(11,000)	Sale	20,997	0.1280		
			31.08.2018	(6,997)	Sale	14,000	0.0850	14,000[c]	0.0850

a) *Cease to be the CFO w.e.f. 01 March 2019.*
b) *Cease to be the CEO w.e.f. 15 January 2019.*
c) *Shareholding as on 15 January 2019.*

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment : (in ₹ lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	45.18	-	-	45.18
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	0.34	-	-	0.34
Total (i+ii+iii)	45.52	-	-	45.52
Change in Indebtedness during the financial year				
+ Addition	34.49	-	-	34.49
- Reduction	(15.15)	-	-	(15.15)
Net Change	19.34	-	-	19.34
Indebtedness at the end of the financial year				
(i) Principal Amount	64.38	-	-	64.38
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	0.48	-	-	0.48
Total (i+ii+iii)	64.86	-	-	64.86

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration of Managing Director, Whole- time Director and / or Manager :

Particulars of Remuneration	Name of WTD	Name of Manager	Total
	R. Kapur	P. S. Oberoi	
Gross Salary			
a) Salary as per provisions contained in section 17(1) of the Income- tax Act, 1961	₹ 4,800,000	₹ 2,535,600	₹ 7,335,600
b) Value of perquisites u/s 17(2) Income Tax Act, 1961	-	-	-
c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
Stock Option	-	-	-
Sweat Equity	-	-	-
Commission	₹ 23,200,000	-	₹ 23,200,000
- as % of profit	4.08%	-	-
- others, specify	-	-	-
Others, please specify	-	-	-
Total (A)	₹ 28,000,000	₹ 2,535,600	₹ 30,535,600
Ceiling as per the Act	₹ 56,851,099 (being 10% of the Net Profits of the Company calculated as per Sec 198 of the Companies Act, 2013)		

B. Remuneration to other Directors :

Particulars of Remuneration	Name of Directors					Total Amount
Independent Directors	D. J. Corbishley	M. Singh	R.S. Sidhu	S. Bhagwati Dalal	T. Currimbhoy	
Fee for attending Board and Committee meetings	₹ 100,000	₹ 750,000	₹ 650,000	₹ 100,000	₹ 350,000	₹ 1,950,000
Commission	-	-	-	-	-	-
Others, (Consultancy fee)	₹ 392,700	-	-	-	-	₹ 392,700
Total	₹ 492,700	₹ 750,000	₹ 650,000	₹ 100,000	₹ 350,000	₹ 2,342,700

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD :

Particulars of Remuneration	Key Managerial Personnel			
	CEO	CFO	Company Secretary	Total
Gross Salary				
a) Salary as per provisions contained in section 17(1) of the Income- tax Act, 1961	₹ 8,983,427	₹ 1,378,460	₹ 1,008,200	₹ 11,370,087
b) Value of perquisites u/s 17(2) Income Tax Act, 1961	-	-	-	-
c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
Stock Option	-	-	-	-
Sweat Equity	-	-	-	-
Commission	-	-	-	-
- as % of profit	-	-	-	-
- others, specify	-	-	-	-
Others, please specify	-	-	-	-
Total	₹ 8,983,427	₹ 1,378,460	₹ 1,008,200	₹ 11,370,087

VII PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES :

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give details)
A. COMPANY	NONE				
Penalty					
Punishment					
Compounding					
B. DIRECTORS	NONE				
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT	NONE				
Penalty					
Punishment					
Compounding					

BOARD'S REPORT ON CSR ACTIVITIES

Annexure - C

1. **A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to CSR Policy and projects or programs.**

   Selan's Policy on CSR is focused on demonstrating care for the society through its focus on eradicating Hunger and Poverty, Education and skill development, Women Empowerment and Uplifting of underprivileged. Our CSR policy is available on our website : www.selanoil.com.

   SELAN has been taking concrete actions to release its social responsibility objectives and these are executed through reputed NGO's, trusts and foundations which are dedicated in this regard.

   Our vision is to effectively contribute towards the society and economic development of the communities in which we operate. In doing so we intend to build a better, sustainable way of life for the weaker sections of society.

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

   T. Currimbhoy Chairman

   M. Singh Member

   R. Kapur Member

   R. S. Sidhu Member

   S. Bhagwati Dalal Member

3. **Number of meetings held during the year :** 3 (three)

4. **Average net profit of the Company for last three financial years -** ₹ 227,449,909/-

5 . **Prescribed CSR Expenditure (two percent of the amount as in item 3 above) –** ₹ 4,548,998/-

6. **Details of amount spent on CSR during the financial year:**

   (a) Total amount to be spent for the financial year- ₹ 4,548,998/-

   (b) Amount unspent, if any- ₹ 548,998/-

   The manner of the amount spent during the financial year is detailed as follows :

Sr. No.	CSR project / activity / Beneficiary	Sector	Location of the Project/ Program	Amount outlay (budget) (in ₹)	Amount spent on the projects or programs (in ₹)	Cumulative expenditure upto the reporting period (in ₹)	Amount spent direct or through implementing agency
1.	ISKCON	Hunger eradication	Haryana	100,000	100,000	100,000	Through Implementing Agency
2.	The Association of the Uphaar Tragedy Victims	Disaster Relief	New Delhi	100,000	100,000	100,000	Through Implementing Agency
3.	Immaculate Ideal Human Foundation	Art & culture	New Delhi	100,000	100,000	100,000	Through Implementing Agency
4.	Nari Niketan Trust	Empowering Women	Jalandhar	100,000	100,000	100,000	Through Implementing Agency
5.	Rajnusa Foundation	Empowering Women, Education	New Delhi	500,000	500,000	500,000	Through Implementing Agency
6.	Centre for Fuel Studies and Research	Special Education	Vadodara	500,000	500,000	500,000	Through Implementing Agency
7.	D. P. Dhar Memorial Trust	Promoting Education	J & K	1,000,000	1,000,000	1,000,000	Through Implementing Agency
8.	Shri Sevantilal Tribhovan Das Javeri Charitable Trust	Promoting Education	Gujarat	1,000,000	1,000,000	1,000,000	Through Implementing Agency
9.	Genesis Foundation Kids	Promoting preventive healthcare	Haryana	100,000	100,000	100,000	Through Implementing Agency
10.	Plan International (India Chapter) for Kerala Flood	Disaster Relief	Kerala	100,000	100,000	100,000	Through Implementing Agency
11.	Tirumala Tirupati Devasthanams	Hunger Eradication	Andhra Pradesh	100,000	100,000	100,000	Through Implementing Agency
12.	Samarpan Foundation	Promoting education, healthcare	New Delhi	200,000	200,000	200,000	Through Implementing Agency
13.	Indian Cancer Society	Healthcare	New Delhi	100,000	100,000	100,000	Through Implementing Agency

7. Reason for not spending the Amount

SELAN is a socially conscious and responsible Company supporting organizations working in conservation, education, environmental management, sustainable development and humanitarian affairs.

Selan has spent more than 85% of the amount specified in the guidelines. The shortfall is intended to be utilized in a phased manner in future upon identification of suitable projects within the Company's CSR Policy. The Company is consulting with organizations in the area of education, health, poverty eradication and livelihood generation.

8. Responsibility Statement of the CSR Committee

The CSR Committee hereby confirms that the implementation and monitoring of CSR activities is in compliance with CSR objectives and CSR Policy of the Company.

Place : New Delhi Date : 29 May 2019	T. Currimbhoy Chairman CSR Committee DIN : 00729714	M. Singh Director DIN: 07585638

Annexure - D

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(i) **Ratio of the remuneration of each Director to the median remuneration of employees of the Company for the Financial Year 2018-19, percentage increase in remuneration of the Chief Executive Officer, the Chief Financial Officer and other Executive Directors and the Company Secretary during the Financial Year 2018-19 :**

Sr. No.	Name of Director / KMP	Designation	Remuneration of Director/ KMP for FY 2018-19 (₹ In Lakhs)	Percentage increase in Remuneration in the Financial Year 2018-19	Ratio of remuneration of each Director/KMP to median remuneration of employees
1.	Mr. R. Kapur	Whole -time Director	280	60.00%	34.1880
2.	Mr. M. Singh (a)	Independent Director	-	-	-
3.	Mr. T. Currimbhoy (a)	Independent Director	-	-	-
4.	Dr. D. J. Corbishley (a)	Independent Director	3.93	1.81%	0.4795
5.	Mr. R. S. Sidhu (a)	Independent Director	-	-	-
6.	Ms. S. B. Dalal (a)	Independent Director	-	-	-
7.	Mr. P. S. Oberoi	Manager	25.36	8.76%	3.0960
8.	Mr. N. Sethi (b)	CEO	89.83	-22.32%	10.9688
9.	Mr. A. K. Maurya (c)	CFO	13.78	-0.75%	1.6831
10.	Ms. Meenu Goswami (d)	CS	10.08	13.02%	1.2310

(a) The Independent Directors of the Company are entitled to sitting fees as per the statutory provisions and within the limits approved by the Board of Directors and shareholders. The details of the remuneration of Independent Directors are provided in the Corporate Governance Report.

(b) Ceased to be the CEO w.e.f. 15 January 2019.

(c) Ceased to be the CFO w.e.f. 01 March 2019.

(d) Ceased to be the CS w.e.f. 20 April 2019.

(ii) **Other details:**

Permanent employees on the rolls of the Company as on 31 March 2019	29
Percentage increase in the median remuneration of employees (excluding Whole- time Director) during Financial Year 2018-19.	21.51 %

(iii) The average percentage increase made in the salaries of employees (other than the managerial personnel) was 40.79% while increase in the managerial remuneration was 24.44%. The increase in salaries during the year are based on the Remuneration Policy of the Company and on annual appraisals of employees.

(iv) The remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees as recommended by the Nomination and Remuneration Committee and approved by the Board from time to time.

Place : New Delhi Date : 29 May 2019	R. Kapur Chairman DIN: 00017172	M. Singh Director DIN: 07585638

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (LODR) Regulations, 2015)

To,
The Members of
Selan Exploration Technology Limited
J- 47/1, Shyam Vihar, Dindarpur,
Najafgarh, New Delhi – 110043

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of 'SELAN EXPLORATION TECHNOLOGY LIMITED' having CIN L74899DL1985PLC021445 and having registered office at J- 47/1, Shyam Vihar, Dindarpur, Najafgarh, New Delhi – 110043 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C clause 10(i) of the SEBI (LODR) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31 March 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

S. No.	Name of the Director	DIN	Date of appointment in the Company
1.	Mr. R. Kapur	00017172	24/09/1988
2.	Mr. R. S. Sidhu	00121906	18/08/2017
3.	Mr. T. Currimbhoy	00729714	28/06/1995
4.	Ms. S. B. Dalal	01105028	26/12/2016
5.	Mr. M. Singh	07585638	10/08/2016
6.	Dr. D. J. Corbishley	06515723	16/02/2013

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Nityanand Singh & Co.
Company Secretaries

Date : 24 May 2019
Place: New Delhi

Nityanand Singh (Prop.)
FCS No. 2668/C. P. No. 2388

INDEPENDENT AUDITORS' REPORT

To the Members of Selan Exploration Technology Limited

Report on the Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of SELAN EXPLORATION TECHNOLOGY LIMITED ("the Company"), which comprise the Balance Sheet as at 31 March 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India:

a) of the state of affairs of the Company as at 31 March 2019;

b) of the profit (including Other Comprehensive Income) for the year ended on that date;

c) of the changes in equity for the year ended on that date; and

d) of the cash flows for the year ended on that date.

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 Ind AS 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 Ind AS 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 Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
The carrying value of the investments (i.e. investment in mutual funds) and the recognition of realised and unrealised gains and losses thereof. The investment portfolio and associated realised and unrealised gains or losses is a factor having material impact on Ind AS financial statements. Refer Note 12 and 28 of the Financial Statements.	**Principal Audit Procedures** • We tested the value of the year-end investments by reference to market price information at the year-end on the basis of transaction / account statements made available by the respective Asset Management Companies / Mutual Fund Investment Companies. • We verified that the purchase and sale of investments were as per the contract notes. • The realised gains and losses on the sale of investments were re-calculated for both the individual transactions on a sample basis and for the total portfolio. • The movement in unrealised gains was checked for arithmetical accuracy and validated by reviewing the opening costs to prior year balances and purchases on a sample basis. • We verified the investment portfolios with the investment summary statements provided by the respective investment advisors detailing the investments, the cost and market prices.

Information Other than the Standalone Ind AS Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Directors' Report including Annexures to Directors' Report, Corporate Governance and Shareholder's Information, but does not include the standalone Ind AS financial statements and our auditor's report thereon. Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS 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 changes in equity of the Company 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 the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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 Ind AS Financial Statements

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances.

An audit also includes evaluating the appropriateness of the accounting principles used and the reasonableness of the accounting estimates made by company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, 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 explanation given to us, we give in "Annexure A" a statement on the matters specified in the paragraph 3 and 4 of the said Order.

2. As required by section 143(3) of the Act, we report that:
   - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   - (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
   - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.
   - (e) On the basis of written representations received from the Directors as on 31 March 2019 and taken on record by the Board of Directors, none of the Directors is disqualified as on 31 March 2019 from being appointed as a Director in terms of Section 164(2) of the Act.
   - (f) With respect to the adequacy of the Internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure B.
   - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended by the Companies (Audit and Auditors) Rules, 2017, in our opinion and to the best of our knowledge and information and according to the explanations given to us:
     - (i) The Company does not have any pending litigation which would impact its financial position;
     - (ii) There is no long-term contracts including derivative contracts, requiring provision for material foreseeable losses under the applicable law or accounting standards;
     - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For J.A. Martins & Co.
Chartered Accountants
(Firm Regn. No. 010860N)

J. A. Martins
Proprietor
(M. No. 082051)

Place : New Delhi
Date : 29 May 2019

Annexure -A REFERRED TO IN THE AUDITORS' REPORT TO THE MEMBERS OF SELAN EXPLORATION TECHNOLOGY LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019.

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Management has physically verified the fixed assets during the year and the frequency of which, in our opinion, is reasonable. No material discrepancies were noticed on such physical verification.

(c) The Company does not own any Land and hence clause 3(i) (c) is not applicable to the Company.

(ii) The inventory of the Company consisting of crude oil, spares and consumables have been physically verified once during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification.

(iii) The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore the provisions of clause 3(iii)(a), (b) & (c) of the Order are not applicable to the Company.

(iv) The Company has not given any loan or nor furnished any guarantee nor provided any security to the parties covered under section 185 of the Companies Act, 2013. The Company has not given any loans or made any investments or provided guarantees or security. Hence, clause 3(iv) is not applicable to the Company.

(v) The Company has not accepted any deposits from the public, within the meaning of sections 73 to 76 of the Act and the rules framed there under. We are informed by the Management that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal in this regard.

(vi) We have broadly reviewed the books of accounts maintained by the Company, pursuant to the rules made under sub-section (1) of Section 148 of the Act for maintenance of cost records and are of the opinion that prima facie, the prescribed accounts and records have been maintained. We have, however, not made a detailed examination of cost records with a view to determine whether they are accurate and complete.

(vii) (a) According to the information and explanations given to us and according to the records of the Company examined by us, in our opinion, the Company has been generally regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of custom, duty of excise, value added tax, cess, goods and service tax and other statutory dues, wherever applicable.

According to the information and explanations furnished to us, no undisputed amounts payable in respect of aforesaid dues were outstanding as on 31 March 2019 for a period of more than six months from the date they became payable.

(b) According to the records of the Company, there are no disputed dues relating to Income-tax, Sales Tax, Service Tax, duty of Excise, Value Added Tax, Goods and Service Tax or cess, which have remain unpaid as on 31 March 2019.

(viii) Based on our verification and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowing to financial institutions, Banks, Government.

(ix) The Company had not raised money by way of initial public offer or further public offer (including debt instruments) during the year and hence clause 3(ix) is not applicable to the Company.

(x) Based on the audit procedures adopted and information and explanations furnished to us by the management, no case of material fraud on or by the Company has been noticed or reported during the course of our audit.

(xi) The managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a nidhi company. Hence, the provisions of clause 3(xii) of the Order are not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 177 and section 188 of the Act in respect of transactions with the related parties and the details have been disclosed in the Ind AS financial statements as required by the applicable Indian accounting standards.

(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit and accordingly provisions of clause (xiv) of Para 3 of the Order are not applicable to the Company.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them. Hence the provisions of clause 3(xv) of the Order are not applicable to the Company.

(xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For J.A. Martins & Co.
Chartered Accountants
(Firm Regn. No. 010860N)

J. A. Martins
Proprietor
(M. No. 082051)

Place : New Delhi
Date : 29 May 2019

Annexure – B REFERRED TO IN THE AUDITORS' REPORT TO THE MEMBERS OF SELAN EXPLORATION TECHNOLOGY LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019.

Report on the Internal Financial Controls over Financial Reporting under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Selan Exploration Technology Limited ("the Company") as of 31 March 2019 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For J.A. Martins & Co.
Chartered Accountants
(Firm Regn. No. 010860N)

J. A. Martins
Proprietor
(M. No. 082051)

Place : New Delhi
Date : 29 May 2019

BALANCE SHEET AS AT 31 MARCH 2019

(₹ in Lakhs)

	Particulars	Note No.	31 March 2019	31 March 2018
I	**ASSETS**			
(1)	**Non-current assets**			
	Property, plant and equipment	5		
	- Tangible assets		1,047.68	1,070.50
	Development of hydrocarbon properties	8	19,523.49	20,080.70
	Capital work-in-progress	6	162.35	180.37
	Intangible assets	7	61.89	111.42
	Financial assets			
	- Other financial assets	9	75.61	48.71
	Non-current tax asset (net)		-	65.09
	Other non-current assets	10	5.80	25.18
			20,876.82	**21,581.97**
(2)	**Current assets**			
	Inventories	11	810.54	828.59
	Financial assets			
	- Investment	12	13,256.51	3,505.50
	- Trade receivables	13	1,846.37	1,865.95
	- Cash and cash equivalents	14	188.32	2,216.01
	- Other bank balances	15	1,405.75	6,433.95
	- Other financial assets	16	227.25	198.02
	Other current assets	17	209.98	189.78
			17,944.72	15,237.80
	Total assets		**38,821.54**	**36,819.77**
II	**EQUITY AND LIABILITIES**			
(1)	**Equity**			
	Equity share capital	18	1,583.00	1,640.00
	Other equity	19	30,997.86	27,800.37
			32,580.86	**29,440.37**
(2)	**LIABILITIES**			
	Non-current liabilities			
	Financial liabilities			
	- Borrowings	20	51.57	36.21
	Provisions	21	50.07	60.60
	Deferred tax liabilities (net)	22	5,478.00	6,435.73
			5,579.64	**6,532.54**
	Current liabilities			
	Financial liabilities			
	- Trade payables	23	262.56	459.83
	- Other financial liabilities	24	172.17	218.15
	Other current liabilities	25	162.60	136.62
	Provisions	26	22.72	23.39
	Current tax liabilities (net)		40.99	8.87
			661.04	**846.86**
	Total equity and liabilities		**38,821.54**	**36,819.77**
	Significant accounting policies	3		

Notes are an integral parts of these financial statements

This is the Balance Sheet referred to in our report of even date

For J. A. Martins & Co.
Chartered Accountants
ICAI Firm Regn. No. 010860N

J. A. Martins
Proprietor
(M. No. 082051)

New Delhi	**POOJA AGNIHOTRI**	**VIJAY KIRPAL**	**M. SINGH**	**R. KAPUR**
29 May 2019	COMPANY SECRETARY	CHIEF FINANCIAL OFFICER	DIRECTOR	CHAIRMAN
			DIN : 07585638	DIN : 00017172

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31 MARCH 2019

(₹ in Lakhs)

	Particulars	Note No.	2018-19	2017-18
A	**INCOME**			
	Revenue from operations	27	9,332.66	7,661.48
	Other income	28	1,070.32	764.87
	Total income (A)		**10,402.98**	**8,426.35**
B	**EXPENSES**			
	Operating expenses	29	790.39	687.24
	Handling and processing charges		257.97	277.60
	Changes in inventories of finished goods	30	(4.45)	168.72
	Employee benefits expense	31	600.69	542.15
	Finance costs	32	6.50	3.90
	Royalty and Cess		454.91	465.14
	Development of hydrocarbon properties	33	1,228.65	2,229.80
	Development of hydrocarbon properties amortised	8	1,785.86	1,836.92
	Depreciation and amortisation expenses	5,7	294.07	255.53
	Other expenses	34	833.80	837.89
			6,248.39	**7,304.89**
	Transfer to: Development of hydrocarbon properties	8	(1,228.65)	(2,229.80)
	Total expenses (B)		**5,019.74**	**5,075.09**
C	**Profit for the year before taxation (A-B)**		**5,383.24**	**3,351.26**
	Less: Tax expense	35		
	Current tax		1,550.87	1,003.59
	Taxes relating to earlier years		24.26	-
	Deferred tax		(1,343.05)	142.00
			232.08	**1,145.59**
D	**Profit for the year after tax**		**5,151.16**	**2,205.67**
E	**Other comprehensive income**	36		
	A. Items that will not be reclassified to profit or loss (net of taxes)		9.11	2.68
	B. Items that will be reclassiied to profit or loss (net of taxes)			
	Other comprehensive income/ (loss) for the year (net of taxes)		**9.11**	**2.68**
F	**Total comprehensive income for the year, net of tax**		**5,160.27**	**2,208.35**
	Earning per Equity Share of ₹ 10 each	37		
	- Basic (In Rupees)		31.54	13.45
	- Diluted (In Rupees)		31.54	13.45
	Significant accounting policies	3		

Notes are an integral parts of these financial statements

This is the statement of Profit and Loss referred to in our report of even date

For J. A. Martins & Co.
Chartered Accountants
ICAI Firm Regn. No. 010860N

J. A. Martins
Proprietor
(M. No. 082051)

New Delhi
29 May 2019

POOJA AGNIHOTRI
COMPANY SECRETARY

VIJAY KIRPAL
CHIEF FINANCIAL OFFICER

M. SINGH
DIRECTOR
DIN : 07585638

R. KAPUR
CHAIRMAN
DIN : 00017172

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2019

(₹ in Lakhs)

	Particulars	2018-19	2017-18
A.	**Cash flow from Operating activities :-**		
	Net Profit / (Loss) before taxation	5,383.24	3,351.26
	Add :		
	Depreciation for the year	294.07	255.53
	Other Comprehensive Income	9.11	2.68
	Amortisation of DHP	1,785.86	1,836.92
	Interest on borrowings	5.22	2.46
		2,094.26	**2,097.59**
	Less:		
	Interest income	(447.50)	(687.91)
	Profit on change in fair value of Investments through FVTPL	(728.62)	(53.16)
	Profit on sale of Fixed Assets	(1.14)	-
		(1,177.26)	**(741.07)**
	Operating profit before working capital changes	6,300.24	4,707.78
	Adjustment for working capital changes		
	(Increase) / Decrease in inventories	18.05	87.39
	(Increase) / Decrease in trade receivables	19.58	(534.40)
	(Increase) / Decrease in financial assets	4,972.07	2,945.19
	(Increase) / Decrease in other Non current assets	0.34	(1.17)
	(Increase) / Decrease in other current assets	(20.20)	(4.92)
	(Increase) / Decrease in Non Current Tax Asset	65.09	0.04
	Increase / (Decrease) in trade payable	(197.27)	85.54
	Increase / (Decrease) in financial liabilities	(49.82)	46.51
	Increase / (Decrease) in Current Provisions	(0.68)	0.14
	Increase / (Decrease) in Non Current Provisions	(10.53)	45.06
	Increase / (Decrease) in Current Tax Liabilities	32.12	8.87
	Increase / (Decrease) in other current liabilities	25.98	58.49
		4,854.73	**2,736.74**
	Cash generated from operation	11,154.97	7,444.52
	Less: Income Tax Paid	1,189.81	720.90
	Net cash from Operating activities (A)	**9,965.16**	**6,723.62**
B.	**Cash flow from Investing activities :-**		
	Purchase of Property, Plant & Equipment and Intangible Assets (including CWIP & capital advances)	(184.67)	(443.16)
	Additions to DHP	(1,228.65)	(2,229.80)
	Net (Purchase) / Sales of Current Investments	(9,022.38)	(3,452.35)
	Sale of Property, Plant & Equipment	1.14	-
	Interest income received	447.50	687.91
	Net cash generarted (used) in Investing activities (B)	**(9,987.06)**	**(5,437.40)**
C.	**Cash flow from Financing activities :-**		
	Increase / Decrease in :		
	Long Term Borrowings taken (Net)	19.20	45.18
	Dividend paid (Including DDT)	(988.55)	(986.93)
	Interest paid on Borrowings	(5.22)	(2.46)
	Share Capital Buyback	(57.00)	-
	Premium on Buyback of Equity Shares	(941.56)	-
	Expenses on Buyback of Equity Shares	(32.66)	-
	Net cash generated (used) in Financing activities (C)	**(2,005.79)**	**(944.21)**
	Net change in cash and cash equivalents (A+B +C)	**(2,027.69)**	**342.01**
	Balance at the beginning of the year	2,216.01	1,874.00
	Balance at the end of the year	188.32	2,216.01
	Net change in cash and cash equivalents	**(2,027.69)**	**342.01**

The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS) 7, 'Statement of Cash Flows'.

For J. A. Martins & Co.
Chartered Accountants
ICAI Firm Regn. No. 010860N

J. A. Martins
Proprietor
(M. No. 082051)

New Delhi	**POOJA AGNIHOTRI**	**VIJAY KIRPAL**	**M. SINGH**	**R. KAPUR**
29 May 2019	COMPANY SECRETARY	CHIEF FINANCIAL OFFICER	DIRECTOR	CHAIRMAN
			DIN : 07585638	DIN : 00017172

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

1 Corporate Information

Selan Exploration Technology Limited (The 'Company') was incorporated in India on 5 July 1985. The Company is a public limited company whose shares are listed on the National Stock Exchange (NSE) and the Bombay Stock Exchange (BSE). The registered office is located at J-47/1, Shyam Vihar, Dindarpur, Najafgarh, New Delhi -110043. The company is engaged in the business of oil & gas exploration and production. The Company has signed Production Sharing Contracts (PSCs) with Government of India (GOI) for Bakrol, Indrora, Lohar, Ognaj and Karjisan fields.

2 Authorization of Financial Statements

The financial statements of the Company for the year ended 31 March 2019 were authorised for issue in accordance with a resolution of the Board of Directors approved on 29 May 2019.

3 Significant Accounting Policies

3.1 Statement of Compliance

The Financial Statements for the year ended 31 March 2019 are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015; and the other relevant Provisions of Companies Act, 2013 and Rules thereunder.

The Financial Statements have been prepared under historical cost convention basis except for certain assets and liabilities which are measured at fair value (refer note 3.2).

The Company has adopted Ind AS and the adoption was carried out in accordance with Ind AS 101 (First time adoption of Indian Accounting Standards). The transition was carried out from Accounting Standard as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, (previous GAAP).

The Company's presentation currency and functional currency is Indian Rupees. All figures appearing in the Financial Statements are rounded off to the nearest lakhs (₹ in lakhs), except where otherwise indicated.

3.2 Basis of Measurement

The financial statements have been prepared on historical cost basis (which includes deemed cost as per Ind AS-101), except for the following :

(a) Financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments); and

(b) Defined benefit plans - plan assets measured at fair value.

The Financial Statements as prepared in India Rupees (₹), which is the functional currency and all values are rounded to the nearest Lakhs, except wherever otherwise stated.

3.3 Current and non-current classification

The company presents assets and liabilities in the balance sheet based on current and non-current classification.

An asset is current when it is;

- Expected to be realised or intended to be sold or consumed in a normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised with in twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve month after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in a normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve month after the reporting period.

Deferred tax assets / liabilities are classified as non-current. All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. As the operating cycle can not be identified in normal course due to the special nature of industry, the same have been assumed to have duration of 12 months.

3.4 Use of estimates and judgements

The preparation of the Company's Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and the accompanying disclosures along with contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amount of assets or liabilities affected in future periods. The Company continually evaluates these estimates and assumptions based on the most recently available information.

In particular, information about significant areas of estimates and judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as below :

- Financial instruments;
- Estimates of useful lives and residual value of Property, Plant and Equipment and intangible assets;
- Valuation of inventories;
- Measurement of recoverable amounts of cash-generating units;
- Measurement of Defined Benefit Obligation, key actuarial assumptions;
- Provisions and Contingencies; and
- Evaluation of recoverability of deferred tax assets.

Revisions to accounting estimates are recognized prospectively in the Financial Statements in the period in which the estimates are revised and in any future periods affected.

3.5 Inventories

Inventories are valued in the balance sheet as follows :

a) Crude oil : Valued at cost or net realisable value whichever is lower. Cost is calculated on absorption cost method (at FIFO basis).

b) Component, stores, spares and consumables (including items related to hydrocarbon properties) : at cost (on FIFO basis) or net realizable value, whichever is lower.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

3.6 Cash and Cash Equivalent

Cash and cash equivalent in the financial statements comprise cash at bank and in hand, short-term deposits with an original maturity of three months or less and highly liquid investment that are readily convertible into known amount of cash and which are subject to insignificant risk of changes in value.

3.7 Tax Expenses

Tax expenses represents the sum of the tax currently payable and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to items directly in equity or in other comprehensive income.

a) Current income tax

Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

b) Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the statement of profit and loss is recognised either in other comprehensive income or in equity and not in the statement of profit and loss.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

c) Minimum alternate Tax

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each balance sheet date and the carrying amount of MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal tax during the specified period.

3.8 Property, Plant and Equipment

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, (a) it is probabale that future economic benefits associated with the item will flow to the entity; and (b) the cost of the item can be measured reliably. Property, plant and equipment are stated at original cost, net of tax / duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. When significant parts of property, plant and equipment are required to be replaced at intervals, the company derecognises the replaced part, and recognise the new part with its own associated useful life and it is depreciated accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All others repair and maintenance costs are recognised in the statement of profit & loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

The cost of an item of property, plant and equipment held by the Company as a lessee under a finance lease is determined in accordance with Ind AS 17-Leases.

Capital work in progress is stated at cost, net of accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

The Company has elected to continue with the carrying values of Property, Plant and Equipment existing as per previous GAAP as on date of transition to Ind AS i.e. 1 April 2016 as deemed cost.

3.9 Intangible Assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the company and the cost of the asset can be measured reliably.

Intangible assets acquired separately are measured at cost. Subsequent to initial recognition, intangible assets are stated at cost less accumulated amortisation and accumulated impairment loss, if any. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

Intangible assets consisting of computer software are amortised over a period of 3-5 Years.

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

The Company has elected to continue with the carrying values of Intangible Assets existing as per previous GAAP as on date of transition to Ind AS i.e. 1 April 2016 as deemed cost.

3.10 Depreciation on Property, Plant and Equipment (PPE)

Depreciation is provided as per Schedule II to the Companies Act, 2013, on straight line method with reference to the useful life of the assets specified therein. On additions costing less than ₹ 5,000/-, depreciation is provided at 100% in the year of addition.

The determination of the useful economic life and residual values of property, plant and equipment is subject to management estimation. The residual value of PPE has been considered as Nil. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation on the property, plant and equipment is provided over the useful life of specified in schedule II of the Companies Act, 2013. Property, plant and equipment which are added/disposed off during the year, depreciation is provided on pro-rata basis with reference to the date of addition/deletion.

3.11 Development of Hydrocarbon Properties

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 straight line basis over the remaining lease period 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.

These expenses were amortised over a period not exceeding the remaining period of the contract upto 31 March 2014. Under the Production Sharing Contract (PSC), the Government has the power to extend the contract and had written to the Company that it can apply for a 10 year extension. The management is of the opinion that there is a reasonable likelihood of these extensions being granted and accordingly the Company incorporated a 5 year extension period in F.Y. 2014-15 and the balance 5 year extension period in F.Y. 2017-18 for amortisation of these expenses.

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 extend policy of the Government of India dated 28 March 2016. The management is of the opinion that there is reasonable likelihood of this extension to the PSC of the Indrora oilfield. The Company's PSC contracts for Karjisan and Ognaj oilfields are valid upto 22 November 2030 and 4 August 2033 respectively.

3.12 Impairment of non-financial assets

As at each reporting date, the Company assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, if any, the Company determines the recoverable amount and impairment loss is recognised, in the statement of profit and loss, when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:-

a) In the case of an individual asset, at the higher of the fair value less cost to sell and the value in use ; and

b) In the case of cash generating unit (a group of asset that generates identified, independent cash flow), at the higher of the cash generating unit's fair value less cost to sell and the value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discounting rate that reflect the current market assessment of the time value of the money and the risk specific to the asset. In determining fair value less cost of disposal, recent market transaction is taken into account. If no such transaction can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

3.13 Leases

Company as a Lessee

Finance leases that transfer substantially all of the risks and benefits incidental to ownership of the leases item, are capitalised at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between finance charges and a reduction in the lease liability based on the internal rate of return. Finance charges are recognised as finance costs in the statement of profit and loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by lessor are classified as operating leases. Lease rentals are charged to the statement of profit and loss on straight line basis.

Company as a Lessor

The Company has recognized assets under a finance lease as a receivable at an amount equal to the net investment in the lease. The finance income has been recognised on a pattern reflecting a constant rate of return on the net investment in the finance lease. In case of operating lease, rental income is recognized on a straight line basis over the term of relevant lease.

3.14 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government with an exception to excise duty.

a) Sale of Goods

Income on sale of crude oil and gas is accounted for net of VAT and profit petroleum to the Government of India is recognised when the risk and rewards are transferred to the buyer's representative, and the amount of revenue can be measured reliably and it is probable that the economic benefits associated with the transactions will flow to the Company.

b) Dividend Income

Dividend income is accounted for when the right to receive the same is established, which is generally when the mutual fund / shareholders approve the dividend.

c) Interest Income

For all financial instrument measured at amortised cost, interest income is recorded using the effective interest rate (EIR) which is the rate that exactly discounts the estimated future cash payments or receipt through the expected life of the financial instrument or a shorter period, where appropriate to the net carrying amount of the financial asset. Interest income is included in other income in the statement of profit and loss. Interest on fixed deposits are accounted for on accrual basis.

3.15 Employee benefits

Employee benefits include salaries, wages, provident fund, gratuity, leave encashment towards un-availed leave and other terminal benefits.

a) Short term employee benefits

All short term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be settled wholly before twelve months after the year end, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

b) Long term employee benefits

The Company's net obligation in respect of other long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. It includes compensation for accumulated absenses. The cost of providing benefits are determined on the basis of acturial valuation at each year end. Seprate acturial valuation is carried out using the projected unit credit method. A liability is recognised for the amount not expected to be settled wholly before twelve months after the year end.

c) Post employment benefits

Defined Contribution Plan : Retirement benefits in the form of contribution to Provident Fund is defined contribution plan. The contributions are charged to statement of profit and loss for the year when the contributions are due. The Company has no obligation other than the contribution payable to the fund.

Defined Benefit Plan : The Company operates a defined benefit gratuity plan with Life Insurance Corporation of India. The costs of providing benefits under this plan are determined on the basis of acturial valuation at each year-end. Acturial valuation is carried out for the plan using the projected unit credit method.

3.16 Foreign Curreny transactions

a) Foreign currency transactions are recorded at the exchange rates prevailing on the date of transaction. The outstanding liabilities/ receivables are translated at the year end rates and the resultant exchage difference is recognised in the Statement of Profit and Loss.

b) In terms of Production Sharing Contracts (PSCs) with the Government of India, selling price of crude oil per barrel is to be determined FOB delivery point at the prevailing international market rates in US Dollars. However payment is receivable in Indian Rupees at the US Dollar / Rupee conversion rate prevailing at the time of payment.

c) The PSC permits sale of gas to domestic users. Sale of Gas is based on rupee denominated rate as per contractual agreements.

3.17 Segment Reporting

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.

3.18 Earning per share

Basic earnings per share is calculated by dividing the profit or loss for the period attributable to equity sharesholders (after deducting preference dividend, if any, and attributable taxes) of the Company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share are calculated by dividing the profit or loss for the period attributable to the equity sharesholders by the weighted average number of equity shares outstanding during the period after adjusting for the effect of all dilutive potential equity shares.

3.19 Provisions, contingent liabilities and contingent assets

a) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that the outflow of resources will be required to settle the obligation and can be reasonably estimated. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to the provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provision are discounted using a current pre-tax rate that reflects, when appropriate the risks specific to the liability. When discounting is used, the increase in the provision due to passage of time is recognised as a finance cost.

b) Contingent liabilities and contingent assets

In case of contingent liabilities, where there is no certainity of outflow or the amount of obligations cannot be measured reliably and a disclosure is made in the notes. Contingent assets are not recognised but disclosed in the financial statements when economic inflows is probable.

3.20 Fair value measurement

The Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurements date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either;

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the assets in its highest and best use.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as whole :

Level 1 - Quoted (unadjusted) market prices in active market for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the balance sheet on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

3.21 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity of another entity.

3.21.1 Financial Assets

a) Initial recognition and measurement

All financial assets are recognised initially at fair value and in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial asset are classified, at initial recognition in the same manner as described in subsequent measurements.

b) Subsequent measurement

For purposes of subsequent measurement financial assets are classified in four categories:

- Measured at amortised cost;
- Measured at Fair value through Other Comprehensive Income (FVTOCI);
- Measured at Fair value through Profit or Loss (FVTPL); and
- Equity instrument measured at Fair value through Other Comprehensive Income (FVTOCI).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset that meets the following two conditions is measured at amortised cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

- Business model test : The objective of the company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).
- Cash flow characteristics test : the contractual terms of the financial asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

  A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.
- Business model test : The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- Cash flow characteristics Test : The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an accounting mismatch) that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different basis.

All other financial asset is measure at fair value through profit or loss.

De-recognition

The Company de-recognizes a financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the assets to another entity.

Impairment of financial assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS – 109 requires expected credit losses to be measured through a loss allowance. The company recognizes lifetime expected losses for all contract assets and/or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

The Company follows 'simplified approach' for recognition of impairment loss on trade receivables. Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime Expected Credit Loss Method (ECLs) at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant in credit risk since initial recognition, then the Company reverts to recognising impairment loss allowance based on 12-months ECL.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

3.21.2 Financial Liabilities

a) Initial recognition and measurement

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

The Company's financial liabilities include trade and other payables, loans and borrowings including Cash Credit limits, and derivative financial instruments.

b) Subsequent measurement

Financial liabilities are measured subsequently at amortized cost or Fair Value through Profit and Loss (FVTPL). A financial liability is classified as FVTPL if it is classified as held for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

c) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing Financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

d) Offseting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.22 Prior Period Items

All incomes and expenditures in aggregate pertaining to prior year(s) above the threshold limit of ₹ 150 Lakhs are corrected and accounted retrospectively.

3.23 Site Restoration

The Company's lease for the Bakrol and Lohar oilfields end in 2030 and the Indrora Oilfield lease is also expected to be extended till 2030. The Company has two other oilfields at Karjisan and Ognaj, wherein the lease period ends in 2030 and 2033 respectively.

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 said oilfields were handed over to the Company in earlier years.

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 recognizes 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.

3.24 Cash Flow Statement

The cash flow statement is prepared by indirect method set out in Ind AS 7 on cash flow statements and presents the cash flows by operating, investing & financing activities of the company. Cash & cash equivalent presented in the cash flow statement consist of balance in the Bank account and cash in hand.

3.25 Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

4 Significant accounting judgements and key sources of estimates in applying the accounting policies

Information about significant judgements and key sources of estimation made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements are included in the following notes:

4.1 Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined during actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

4.2 Fair value measurement of financial instrument

When the fair value of financial asset and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in a active market then their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to this model are taken from observable markets where possible but where this is not feasible a degree of judgement is required in establishing the fair value. Judgements include consideration of input such as liquidity risk, credit risk and volatility. Changes in assumption about this factor could affect the reported fair value of financial instruments.

4.3 Impairment of finacial assets

The impairment provision for financial asset is based on assumption about risk of default and expected loss rates. The company uses judgement in making the assumptions and selecting the inputs to the impairment calculation based on company's past history, the existing market condition as well as forward looking estimates at the end of each reporting period.

4.4 Estimate of provision for decommissioning

The Company estimates provision for decommissioning for the future decommissioning of Oil & Gas assets at the end of their economic lives. Most of these decommissioning activities would be in the future, the exact requirements that may have to be met when the removal events occur are uncertain. Technologies and costs for decommissioning are constantly changing. The timing and amounts of future cash flows are subject to significant uncertainty.The impairment provision for financial asset is based on assumption about risk of default and expected loss rates. The Company uses judgements in making the assumptions and selecting the inputs for the impairment calculation based on the company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

The timing and amount of future expenditures are reviewed at the end of each reporting period, together with rate of inflation for escalation of current cost estimates and the interest rate used in discounting the cash flows. The economic life of the Oil & Gas assets is estimated on the basis of long term production profile of the relevant Oil & Gas asset.

4.5 Evaluation of indicators for impairment of Devlopment of Hydrocarbon Properties

The evaluation of applicability of indicators of impairment of assets requires assessment of external factors such as significant decline in asset's value, significant changes in the technological, market, economic or legal environment, market interest rates etc. and internal factors such as obsolescence or physical damage of an asset, poor economic performance of the asset etc. which could result in significant change in recoverable amount of the Oil and Gas Assets.

4.6 Evaluation of Reserves

Management estimates production profile (proved and developed reserves) in relation to all the Oil and Gas Assets determined by the G&G team as per industry practice. The estimates so determined are used for the computation of depletion and impairment testing.

NOTE 5 - Property, Plant & Equipment

(₹ in Lakhs)

Cost or Value	Tangible assets							
	Plant & Equipment	**Furniture & Fixtures**	**Vehicles**	**Office Equip-ments**	**Computers**	**Electrical Fittings**	**Buildings**	**Total**
As on 01.04.18	2,750.12	20.19	191.43	56.98	39.14	117.81	53.25	3,228.92
Additions	140.83	5.85	45.46	11.20	2.11	9.01	7.09	221.55
Disposals/deletions	-	-	8.33	-	-	-	-	8.33
Other adjustments	-	-	-	-	-	-	-	-
Exchange difference	-	-	-	-	-	-	-	-
Borrowing cost	-	-	-	-	-	-	-	-
As on 31.03.19	**2,890.95**	**26.04**	**228.56**	**68.18**	**41.25**	**126.82**	**60.34**	**3,442.14**
Depreciation								
As on 01.04.18	1,936.25	9.50	84.92	45.11	29.41	35.37	17.86	2,158.42
Charge for the year	185.12	1.86	23.49	5.40	4.83	12.37	11.30	244.37
Disposal/adjustments	-	-	8.33	-	-	-	-	8.33
As on 31.03.19	**2,121.37**	**11.36**	**100.08**	**50.51**	**34.24**	**47.74**	**29.16**	**2,394.46**
Impairment loss								
As on 01.04.18	-	-	-	-	-	-	-	-
Charge for the year	-	-	-	-	-	-	-	-
As on 31.03.19	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net block (Gross value-depreciation-impairment loss)								
As on 01.04.18	813.87	10.69	106.51	11.87	9.73	82.44	35.39	1,070.50
As on 31.03.19	**769.58**	**14.68**	**128.48**	**17.67**	**7.01**	**79.08**	**31.18**	**1,047.68**

The Company has availed the deemed cost exemption in relation to the property, plant and equipment and intangible assets (refer note no. 7) on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date.

(₹ in Lakhs)

	Particulars	**31 March 2019**	31 March 2018
6	**Capital work-in-progress**	162.35	180.37
	Total	**162.35**	**180.37**
7	**Intangible assets**		
	Computer software		
	Gross amount	219.97	72.77
	Addition during the year	0.17	147.20
	Disposal / deletion during the year		
	Total (A)	**220.14**	**219.97**
	Accumulated amortisation	108.55	71.14
	Amortisation for the year	49.70	37.41
	Total (B)	**158.25**	**108.55**
	Net amount (A-B)	**61.89**	**111.42**
8	**Development of hydrocarbon properties (DHP)**		
	Balance as per last financial statements	20,080.70	19,687.82
	Additions during the year	1,228.65	2,229.80
		21,309.35	**21,917.62**
	Less: Amortised during the year	1,785.86	1,836.92
	Closing balance	**19,523.49**	**20,080.70**
9	**Non-current financial assets- others**		
	(Unsecured, considered good, unless otherwise stated)		
	Security deposits		
	- With government departments	14.08	12.27
	- Others	20.90	16.96
	Term deposits with bank	40.63	19.48
	Total	**75.61**	**48.71**

(₹ in Lakhs)

	Particulars	31 March 2019	31 March 2018
10	**Other Non Current Assets**		
	(Unsecured, considered good, unless otherwise stated)		
	Capital advances	1.47	20.51
	Prepaid rent expense	4.33	4.67
	Total	**5.80**	**25.18**

There are no advances to directors or other officers of the Company or any of them either severally or jointly with any other persons or advances to firms or private companies respectively in which any director is a partner or a director or a member.

	Particulars	31 March 2019	31 March 2018
11	**Inventories (refer note no. 3.5 for mode of valuation)**		
	Stores and components relating to hydrocarbon properties	614.45	609.13
	Stores, spares and consumables	25.64	53.46
	Stock of crude oil	170.45	166.00
	Total	**810.54**	**828.59**

	Particulars	No. of Units		Amount (₹ In Lakhs)	
		31 March 2019	31 March 2018	31 March 2019	31 March 2018
12	**Current Financial Assets-Investments**				
	In Mutual Funds- Quoted				
	(Carried at fair value through Profit & Loss Account)				
	- Aditya Birla Sun Life Balanced Advantage Fund Growth	-	524,902.000	-	261.03
	- DSP Black Rock Equity Saving Fund - Reg Growth	-	1,088,564.000	-	133.39
	- Franklin India Ultra Short Bond Fund - Super	157,449.163	373,384.342	4,389.94	37.63
	- Franklin India Ultra Short Bond Fund Super Inst G	16,064,984.098	8,611,086.601	4,220.08	2,071.23
	- Kotak Equity Arbitrage Fund - Monthly Dividend (Regular Plan)	4,081,930.234	2,561,266.481	1,076.92	273.87
	- HDFC Equity Saving Fund - Regular Plan Growth	-	1,289,543.721	-	445.56
	- ICICI Prudential Balanced Advantage Fund Growth	-	854,088.082	-	282.79
	- SBI Magnum Ultra Short Duration Fund - Growth	5,161.447	-	214.03	-
	- Aditya Birla Sun Life Floating Rate Fund	93,383.848	-	214.53	-
	- Kotak Mahindra Prime Ltd - NCD	100.000	-	1,055.00	-
	- IIFL Wealth Finance Limited - NCD	1,200.000	-	1,238.34	-
	- India Infoline Finance Limited - NCD	81.000	-	847.67	-
				13,256.51	**3,505.50**
	Quoted Investments				
	Book value of quoted investments			12,474.73	3,452.35
	Market value of quoted investments			13,256.51	3,505.50
13	**Current financial assets-trade receivables**				
	(a) Secured (considered good)			-	-
	(b) Unsecured, considered good				
	(i) Others			1,846.37	1,865.95
	(ii) Related parties *				
	(c) Unsecured, considered doubtful				
				1,846.37	**1,865.95**
	Less:- Provision for doubtful debts				
	Total (net of provision)			**1,846.37**	**1,865.95**

There are no debts due by directors or other officers of the Company or any of them either severally or jointly with any other persons or debts due by firms or private companies respectively in which any director is a partner or a director or a member.

The Company is exposed to credit risk from its operating activities, primarily trade receivables which the Company minimizes by dealing with high credit rating counterparties . Outstanding customer receivables are regularly monitored on individual basis and are reconciled at regular intervals. Impairment analysis of trade receivables is done at each reporting date on an individual basis. The expected loss recognised at each reporting date is ₹ Nil.

(₹ In Lakhs)

	Particulars	Amount	
		31 March 2019	31 March 2018
14	**Current financial assets-cash & cash equivalents**		
	Balance with banks		
	In current accounts	186.79	83.76
	In term deposits with banks	-	2,130.00
	Cash on hand	1.53	2.25
	Total	**188.32**	**2,216.01**
15	**Current financial assets-other bank balances**		
	Balance with banks:		
	In unpaid dividend account	101.29	120.98
	In fractional bonus account	-	0.43
	In term deposits with banks	1,024.45	5,765.16
	Under lien	-	-
	For Government of India/ State Government	128.38	173.78
	For site restoration fund account *	75.43	71.89
	Total term deposit	**1,228.27**	**6,010.83**
	Interest accrued on term deposit	76.19	301.71
	Total	**1,405.75**	**6,433.95**

* Site Restoration Fund Account : This amount has been deposited with banks under section 33ABA of the Income Tax Act, 1961 and can be withdrawn only for the purposes specified in the Scheme i.e. towards removal of equipment's and installations in a manner agreed with the Central Government pursuant to an abandonment plan to prevent hazards to life, property, environment, etc. This amount is considered as restricted cash and hence not considered as 'Cash and cash equivalents'.

16	**Current Financial Assets- Others**		
	Recoverable from others	227.25	198.02
	Total	**227.25**	**198.02**
17	**Other Current Assets**		
	(Unsecured, considered good, unless otherwise stated)		
	Advance to vendors	122.62	98.19
	Prepaid expenses	83.09	87.13
	Prepaid rent/interest expense	1.40	1.23
	Other advances recoverable in kind	2.87	3.23
	Total	**209.98**	**189.78**

There are no advances to directors or other officers of the Company or any of them either severally or jointly with any other persons or advances to firms or private companies respectively in which any director is a partner or a director or a member.

(₹ In Lakhs)

	Particulars	Amount 31 March 2019	Amount 31 March 2018
18	**Equity share capital**		
	Authorised share capital		
	2,90,00,000 (previous year 2,90,00,000) Equity shares of ₹ 10/- each	2,900.00	2,900.00
	1,00,000 (previous year 1,00,000) Preference shares of ₹ 100/- each	100.00	100.00
	Total	**3,000.00**	**3,000.00**
	Issued, subscribed and fully paid equity capital		
	1,58,30,000 Equity shares (previous year 1,64,00,000) of ₹ 10/- each	1,583.00	1,640.00
	Total	**1,583.00**	**1,640.00**
	a) Reconciliation of the number of Equity shares		
	At the beginning of the period (No. of Equity Shares)	1,64,00,000	1,64,00,000
	Shares Bought back and extinguished during the year (No. of Equity Shares)	(5,00,000)	-
	Shares Bought back and pending for extinguishment (No. of Equity Shares)	(70,000)	-
	Outstanding at the end of the year (No. of Equity Shares)	1,58,30,000	1,64,00,000

b) Rights, preferences and restrictions attaching to Equity Shares

- The Company has issued only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees.
- In event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holders.

c) Equity Shares held by each shareholder holding more than 5% shares:

Name of Share Holders	31 March 2019		31 March 2018	
	No. of share held	% of Holding	No. of share held	% of Holding
Rohini Kapur	1,780,000	11.24%	1,780,000	10.85%
Winton Roavic LLP	1,501,000	9.48%	1,501,000	9.15%
Raj Kapur	1,206,000	7.62%	1,206,000	7.35%

d) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the five years preceding immediately before the reporting period :

Particulars	31 March 2019	31 March 2018
Number of equity shares alloted as fully paid bonus shares by capitalisation of Securities premium account	-	-
Number of equity shares bought back by the Company	5,70,000	4,25,525

19 STATEMENT OF CHANGES IN EQUITY AS ON 31 MARCH 2019

A. Share capital

(₹ in Lakhs)

Particulars	Balance at 01 April 2018	Changes during the year	Balance at 31 March 2019
Equity share capital	1,640.00	(57.00)	1,583.00

B. Other equity

(₹ in Lakhs)

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves & Surplus						Debt instruments through OCI	Equity instruments through OCI	Effective portion of cash flow hedges	Revaluation surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of OCI (specify nature)	Money received against share warrants	Total
			General Reserve	Securities Premium	Capital Reserve	Capital Redemption Reserve	FCMITDA	Retained Earnings								
Balance as at 1 April 2017	-	-	5,770.54	142.37	94.05	487.43	-	20,084.56	-	-	-	-	-	-	-	26,578.95
Profit for the year								2,205.67								2,205.67
Other comprehensive income for the year								2.67								2.67
Dividends								(820.00)								(820.00)
Corporate dividend tax on above								(166.93)								(166.93)
Transfer to retained earnings								-								-
Any other change (to be specified)								-								-
Balance at 31 March 2018	**-**	**-**	**5,770.54**	**142.37**	**94.05**	**487.43**	**-**	**21,305.97**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**27,800.36**
Profit for the year	-	-	-	-	-	-	-	5,151.16	-	-	-	-	-	-	-	5,151.16
Other comprehensive income for the year	-	-	-	-	-	-	-	9.11	-	-	-	-	-	-	-	9.11
Dividends	-	-	-	-	-	-	-	(820.00)	-	-	-	-	-	-	-	(820.00)
Corporate dividend tax on above	-	-	-	-	-	-	-	(168.55)	-	-	-	-	-	-	-	(168.55)
Buyback Premium	-	-	-	(142.37)	-	-	-	(799.19)	-	-	-	-	-	-	-	(941.56)
Buyback Expenses	-	-	-	-	-	-	-	(32.66)	-	-	-	-	-	-	-	(32.66)
Transfer to Capital Redemption Reserve	-	-	-	-	-	57.00	-	(57.00)	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Any other change (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at 31 March 2019	**-**	**-**	**5,770.54**	**-**	**94.05**	**544.43**	**-**	**24,588.84**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**30,997.86**

Nature of reserves :

Capital reserve
Capital reserve was created from profit on forfeiture of warrants/ forfeiture of shares. The Company may use this reserve for issue of fully paid bonus shares to its members.

Capital redemption reserve
Capital redemption reserve was created on buy back of equity shares. The Company may use this reserve in paying up unissued shares of company to be issued to members of the company as fully paid bonus shares.

Securities premium reserve
Security premium reserve was created on issue of equity shares at premium. The Company may use this reserve for issue of fully paid bonus shares to its members and for buy-back of its shares.

General reserve
General reserve represents the reserve created by apportionment of profit generated during the year or transfer from other reserves either voluntarily or pursuant to statutory requirements. The same is a free reserve and available for distribution.

Retained earnings
Retained earnings represents the undistributed profit of the Company.

Other comprehensive income (re-measurements of defined benefit plans)
This reserve is the cumulative acturial gain/ (loss) on measurement of defined benefit liability (Gratuity).

(₹ In Lakhs)

	Particulars	31 March 2019	31 March 2018
20	**Non current financial liabilities-borrowings**		
	Secured loan		
	From others *	64.38	45.18
		64.38	45.18
	Less:- Current maturities of non current borrowings (refer note no. 24)	12.81	8.97
	Total	**51.57**	**36.21**

* Vehicle loan by way of hypothication of respective vehicle.

21	**Non current provisions**		
	Provision for employee benefits		
	Gratuity (funded) (refer note no. 44)	42.81	48.90
	Leave encashment (unfunded) (refer note no. 44)	7.26	11.70
	Total	**50.07**	**60.60**
22	**Deferred tax liabilities / (assets)**		
	Deferred tax liabilities provided during the year (net)	5,789.49	7,132.54
	MAT credit entitlement	(311.49)	(696.81)
	Deferred tax liabilities (net)	**5,478.00**	**6,435.73**
	Reconciliation of Deferred tax liabilities / (assets) net		
	Balance at the beginning of the year	6,435.73	6,011.04
	Tax (benefit) / expenses during the period recognized in profit or loss	(1,343.05)	142.00
	MAT credit entitlement used	385.32	282.69
	Balance at the end of the year	**5,478.00**	**6,435.73**
23	**Current financial liabilities- trade payable**		
	Due to micro and small enterprises (see note below)	-	-
	Due to others	262.56	459.83
	Total	**262.56**	**459.83**
24	**Current financial liabilities-others**		
	Current maturities of long-term debt (refer note no. 20)	12.81	8.97
	Interest accrued but not due on Loan	0.48	0.34
	Unpaid dividends #	113.95	121.03
	Fractional bonus entitlement	-	0.43
	Profit Petroleum payable to Government of India	0.41	2.92
	Remuneration payable to whole time director	42.00	81.94
	Retention money / security deposits	2.52	2.52
	Total	**172.17**	**218.15**

This does not include any amount due and outstanding, to be credited to the Investor Education and Protection Fund.

25	**Other current liabilites**		
	Advance from customers and others	15.45	4.21
	Statutory dues	147.15	132.41
	Total	**162.60**	**136.62**
26	**Current provisions**		
	Provision for employee benefits (refer note no. 44)		
	Gratuity (funded)	20.14	21.33
	Leave encashment (unfunded)	2.58	2.06
	Total	**22.72**	**23.39**

(₹ In Lakhs)

	Particulars	2018-19	2017-18
27	**Revenue from operations**		
	(Refer note no. 3.13 on revenue recognition)		
	Sale of products		
	Crude oil	8,772.84	7,274.05
	Less: Profit petroleum paid to GoI	(331.16)	(385.34)
		8,441.68	6,888.71
	Natural gas	890.98	772.77
		9,332.66	**7,661.48**
28	**Other income**		
	Professional Income	13.76	-
	Gain on financial assets	823.73	61.32
	Interest income on term deposits	221.98	699.93
	Miscellaneous income	9.63	2.14
	Interest income (Fair valulation of security deposits)	1.22	1.48
		1,070.32	**764.87**
29	**Operating expenses**		
	Payment to contractor for services	242.21	207.34
	Transportation	209.29	200.94
	Generator hire charges	137.70	128.34
	Other direct operative expenses	201.19	150.62
		790.39	**687.24**
30	**Change in inventories of finished goods**		
	Inventories at the beginning of the year	166.00	334.72
	Inventories at the end of the year	170.45	166.00
		(4.45)	**168.72**
31	**Employee benefits expense**		
	Salaries, wages and bonus	575.62	514.89
	Contribution to provident and others funds	7.95	8.26
	Staff welfare expenses	17.12	19.00
		600.69	**542.15**
32	**Finance Costs**		
	Other borrowing Costs	5.22	2.46
	Interest expense fair valuation of security deposit	1.28	1.44
		6.50	**3.90**
33	**Development of hydrocarbon properties**		
	(Expenditure on specialized materials and services)		
	Contract rig charges & rig site preparation	46.37	43.47
	Insurance	0.10	-
	Management and drilling supervision	128.68	79.52
	Materials consumed for drilling of oil wells	25.28	6.02
	Miscellaneous expenses	68.61	29.61
	Mud chemical, engineering & logging services	498.52	564.06
	Perforation and well cleaning services	323.75	1,438.64
	Rent	53.55	48.94
	Sesimic survey, data processing & wireline services	-	(96.00)
	Travelling and conveyance	83.79	115.54
		1,228.65	**2,229.80**

(₹ In Lakhs)

	Particulars	2018-19	2017-18
34	**Other expenses**		
	Administrative services and supplies	138.25	128.38
	Advertisement and business development	31.18	29.38
	Advisory services	49.70	69.09
	Communication	15.68	15.78
	Consumption of stores and spares	70.66	80.66
	Director fees	23.01	17.64
	Insurance	14.33	28.27
	Loss on foreign exchange variation	0.62	6.22
	Legal Fees	0.59	-
	Miscellaneous expenses	55.72	41.96
	CSR expenses (refer note no. 41)	40.00	34.50
	Power and fuel	76.24	79.47
	Rent	183.72	148.67
	Repairs- others	48.53	75.38
	Repairs- machinery	29.13	32.11
	Travelling and conveyance	39.78	42.55
	Interest on payment of statutory dues	16.66	7.83
		833.80	**837.89**
35	**Tax expenses**		
	Income tax related to items charged or credited directly to profit or loss during the year		
	Statement of profit and loss		
	(i) Current income tax (continuing operations)	1,550.87	1,003.59
	(ii) MAT credit entitlement	-	-
	(iii) Deferred tax expenses relating to origination and reversal of temporary differences (continuing operations)	(1,343.05)	142.00
	Total	**207.82**	**1,145.59**
	Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2019 and 31 March 2018		
	Accounting profit / (loss) before income tax	5,383.24	3,351.26
	Income tax rate	29.12%	34.608%
	Computed tax expenses (A)	**1,567.60**	**1,159.80**
	Tax effect of items that are not deductible for tax purpose	618.87	754.43
	Tax effect of items that are not taxable for tax purpose	(635.60)	(910.64)
	Earlier year taxes	24.26	-
	Sub-total (B)	**7.53**	**(156.21)**
	Income tax expenses charged to the statement of profit & loss (A-B)	1,575.13	1,003.59
36	**Other comprehensive income**		
	(A (i)) Items that will not be reclassified to profit or loss		
	- Re-measurement gains (losses) on defined benefit plans	12.85	4.09
	(A (ii)) Income tax relating to items that will not be reclassified to profit or loss		
	- Re-measurement gains (losses) on defined benefit plans	3.74	1.41
	Total (A)	**9.11**	**2.68**
	(B (i)) Items that will be reclassified to profit or loss	-	-
	(B (ii)) Income tax relating to items that will be reclassified to profit or loss	-	-
	Total (B)	**-**	**-**
	Total (A) + (B)	**9.11**	**2.68**
37	**Disclosure as required by Indian Accounting Standard (Ind AS 33) Earning per share**		
	Face value of Equity share of ₹	10	10
	Profit for the year	5,151.16	2,205.67
	Weighted average number of Equity shares outstanding	16,332,022	16,400,000
	Earning per share (basic) ₹	31.54	13.45
	Earning per share (diluted) ₹	31.54	13.45

(₹ In Lakhs)

	Particulars	2018-19	2017-18
38	**Commitments and Contingent Liabilities**		
A	**Commitments**		
	Estimated amount of Contracts remaining to be executed on Capital Account (Net of Advances) and not provided for	1.47	5.05
B	**Contingent Liabilities**		
	a) Claims against the Company not acknowledged as debts:	Nil	Nil
	b) In the Arbitration proceedings between the Company and the Ministry of Petroleum and Natural Gas, Government of India (GOI) with respect to the Lohar Oilfield, Inter alia, the issue is whether Profit Petroleum is payable to the GOI in a financial year, when the investment multiple in the preceding year is less than 3.5. The Company received an Award in its favour in May 2010, from the Arbitral Tribunal, against which the GOI had appealed to the Hon'ble Delhi High Court. The Single Bench of the High Court ruled in favour of the GOI. The Company has appealed against this to the Division Bench of the Delhi High Court and the same is sub judice.		

39 Minimum Alternate Tax (MAT)

The Company is entitled to avail Credit under Section 115 JA (1A). Accordingly, MAT credit entitlement has been considered as an asset to the extent there is convincing evidence that the Company will pay normal income tax during specified period under law.

40 Disclosures as required for loans given, investments made and guarantee given covered u/s 186(4) of the Companies Act, 2013:

The Company has not given any loan, security or provided any guarantee, nor made any investment during the year as per section 186(4) of the Companies Act, 2013.

41 Buyback of Shares

The Board of Directors of the Company at its meeting held on 27 December 2018, has inter alia approved the Buyback proposal for purchase by the Company of its fully paid-up equity shares of face value of ₹ 10 each, ("equity shares" and such buy- back, the "buy-back"), from the shareholders/ beneficial owners of the Company, at a price not exceeding ₹ 300/- (Rupees Three Hundred Only) per equity share ("Maximum Buy-back Price") from the open market through stock exchange mechanism in such manner as may be prescribed in the Companies Act, 2013 (" Companies Act"), the Companies (Share Capital and Debentures) Rules, 2014 (hereinafter referred to as the "Share Capital Rules"), the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 ("Buy-Back Regulations") and the Securities and Exchange Board of India (Listing obligation and Disclosure requirements) Regulations, 2015 ("Listing Regulations"), as amended (including any statutory modification(s) or re-enactment of the Companies Act of Buy-Back Regulations, for the time being in force).

The Buyback shall not exceed ₹ 25 crores (Rupees Twenty Five Crores Only) excluding brokerage, cost, fees, turnover charges, taxes such as Security Transaction Tax and Goods and Service Tax (if any), stamp duty and other transaction charges ("Maximum Buyback Size"). The Maximum Buyback size represents 8.66% of the aggregate of the Company's total paid up Equity Share Capital and Free Reserves based on the Audited Financial Statements of the Company as at 31 March 2018, which is in compliance with the maximum permissible limit of 10% of the total paid up Equity Share Capital and Free Reserves in accordance with section 68 (2) of the Companies Act, 2013.

As on 31 March 2019, the scheme of buyback was open and as on 31 March 2019, the Company bought back 5,70,000 Equity Shares as part of the aforementioned buy back process resulting in total cash outflow of ₹ 998.56 Lakhs(excluding expenses on Buy-Back). Out of 5,70,000 Equity Shares bought back, the Company extinguished 5,00,000 Equity Shares as at 31 March 2019 and the remaining 70,000 Equity Shares were extinguished in the month of April 2019 as per the records of the depositories. In line with the requirement of the Companies Act, 2013, an amount of ₹ 142.37 Lakhs and ₹ 799.19 Lakhs has been utilized from the Securities Premium Account and Retained Earnings respectively for the Buy-Back. Further, Capital Redemption Reserve of ₹ 57 Lakhs (representing the nominal value of the shares bought back) has been created.

42 Profit Petroleum in Lohar

As per Article 13.5 of Production Sharing Contract (PSC), "The maximum percentage of Cost Petroleum to which the Contractor shall be entitled, in accordance with the provisions of this Article, shall be one hundred percent (100%) for initial Five (5) years and fifty (50 percent) thereafter".

As per Article 13.4 of PSC, "The unrecovered portions of Contract Costs shall be carried forward to the following Year and the Contractor shall be entitled to recover such Costs in such Year or the subsequent Years as if such Costs were due for recovery in that Year, or the succeeding Years, until the unrecovered Costs have been fully recovered out of Cost Petroleum from the Contract Area".

During the F.Y. 2004-05 & 2005-06, the Contractor has under recovered the contract cost of US$ 3,23,145/- (US$ 11,060/- in F.Y. 2004-05 and US$ 3,23,145/- in F.Y. 2005-06) and such under recovered contract cost was inadvertently carried forward to subsequent years as a negative amount resulting in negative unrecoverable contract cost, thereby leading to under reporting of recoverable contract cost.

The impact of Contractor's share of Cost Petroleum is US$ 1,61,573/- (50% of US$ 3,23,145/-) i.e. ₹ 111 Lakhs which has been accounted during the F.Y. 2018-19.

(₹ In Lakhs)

		Particulars	2018-19	2017-18
43		**Corporate Social Responsibility**		
	i	Gross amount required to be spent during the year [Including unspent balance at the beginning of the year]	228.98	183.35
	ii	Amount spent during the year		
		For constructions /acquisition of assets	-	-
		For other purpose	40.00	34.50
	iii	Unspent amount at the end of year	188.98	148.85

44 Disclosures as required by Ind AS 108, Operating Segments

The Company operates in a single segment of production of Oil and Natural Gas. Therefore, Ind AS-108 is not applicable to the Company.

45		**Related Party Disclosures as per Indian Accounting Standard (Ind AS 24) are as follows :**		
	A)	**Related parties and their relationships**		
	i)	**Key Managerial Personnel**		
		- Mr. Rohit Kapur Chairman and Whole-Time Director		
		- Dr. D. J. Corbishley Director		
	B)	**Transactions with the above in the ordinary course of business**		
	i)	**Key Management Personnel**		
		Remuneration to Mr. Rohit Kapur, Whole-Time Director		
		(a) Short term employement benefits	280.00	175.00
		(b) Long term employement benefits		
		(c) Payable at the year end		
		Consultancy fee to Dr. D. J. Corbishley, Director	3.92	4.55

Note : Provision for accruing liability for gratuity & leave encashment, which are provided on actuarial basis for the Company as a whole and is not separately ascertainable and, therefore, not included above.

Disclosure as required by Ind AS-19, Employee Benefits

46 Defined Benefit Plans

I Gratuity

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount equivalent to 15 days salary for each completed year of service subject to a maximum of ₹ 20 Lakhs. Vesting occurs upon completion of five continuous years of service in accordance with Indian Law. The Company has taken a policy with Life Insurance Corporation of India approved by IRDA for meeting the accruing liability on account of gratuity. The premium, actuarially ascertained by the insurance company is charged to profit and loss account. The amount debited to profit and loss account is ₹ 12.03 lacs.

Other long-term employee benefits

II Leave encashment

The Company provides for the expected cost of accumulating paid leave which can be carried forward and used in future periods by the employees. The obligation for accumulating paid leaves has been recognised at the end of the reporting period.

In respect of Gratuity & Leave Encashment, provision is made based on the actuarial valuation by an independent actuary. The following information as required under Ind AS-19 are based on the report of the Actuary.

(₹ In Lakhs)

	Particulars	2018-19		2017-18	
		Leave encashement (unfunded)	Gratuity (Funded)	Leave encashement (unfunded)	Gratuity (Funded)
A)	**Acturial assumption**				
i)	Discounting rate	7.66%	7.66%	7.73%	7.73%
ii)	Future salary increase	5.50%	5.50%	5.50%	5.50%
iii)	Expected rate of return on plan assets	-	-	-	-
iv)	Retirement age	58	58	58	58
v)	Moratility rates (% of IALM 2006-08)	100.00%	100.00%	100.00%	100.00%
vi)	Withdrawal rates, based on age				
	Upto 30 years	3.00%	3.00%	3.00%	3.00%
	From 31 to 44 years	2.00%	2.00%	2.00%	2.00%
	Above 44 years	1.00%	1.00%	1.00%	1.00%

(₹ In Lakhs)

	Particulars	2018-19 Leave encashement (unfunded)	2018-19 Gratuity (Funded)	2017-18 Leave encashement (unfunded)	2017-18 Gratuity (Funded)
B)	**Expenses recognised in the statement of profit and loss**				
i)	Current service cost	2.16	11.67	6.29	39.78
ii)	Net interest cost	1.06	5.43	0.44	2.48
iii)	Expected return on plan assets	-	-	-	-
iv)	Net actuarial (gain) / loss recognized in the period	1.68	-	7.88	-
v)	Expenses recognized in the statement of Profit & Loss	4.90	17.10	14.61	42.26
C)	**Recognised in other comprehensive income**				
i)	Actuarial gain / (loss) arising on assets	-	0.03	-	0.26
ii)	Actuarial gain / (loss) on PBO arising from:				
	Change in demographic assumptions	-	-	-	-
	Change in financial assumptions	-	(0.47)	-	1.27
	Change in experience assumptions	-	13.30	-	2.56
iii)	Net gain/ (loss) recognised in other comprehensive income	-	12.86	-	4.09
D)	**Change in present value of obligation**				
i)	Present value of obligation as at year beginning	13.76	129.56	5.89	87.05
ii)	Interest cost	1.06	10.01	0.44	6.56
iii)	Current service cost	2.16	11.67	6.29	15.38
iv)	Past service cost incl. Curtailment gains and loss	-	-	-	24.40
v)	Benefits paid	(8.82)	(1.37)	(6.74)	-
	Actuarial (gain) / loss on PBO arising from:				
	Change in demographic assumptions	-	-	-	-
	Change in financial assumptions	0.06	0.47	(0.23)	(1.27)
	Change in experience assumptions	1.62	(13.30)	8.11	(2.56)
vi)	Present value of obligation as at year end	9.84	137.04	13.76	129.56
E)	**Change in fair value of plan assets**				
i)	Fair value of plan assets at year beginning	-	59.33	-	54.15
ii)	Actual return on plan assets	-	4.61	-	4.34
iii)	Contributions	-	12.03	-	1.30
iv)	Fund management charges (FMC)	-	(0.51)	-	(0.46)
v)	Benefits paid	-	(1.37)	-	-
vi)	Actuarial gain / (loss) on plan assets	-	-	-	-
vii)	Fair value of plan assets at year end	-	74.09	-	59.33
F)	**Liability /(Assets) recognised in Balance Sheet (D-E)**	9.84	62.95	13.76	70.23
G)	**Expected contribution to the defined benefit plan for the next annual reporting period**	-	18.65	-	28.31
H)	**100% plan assets managed by Insurer Company.**	-	-	-	-
I)	**Maturity profile of employee benefit obligation valued on undiscount basis**				
i)	Within the next 12 months (next annual reporting period)	2.58	43.84	4.23	39.00
ii)	Between 1 and 5 years	2.11	17.41	1.21	19.05
iii)	Beyond 5 years	5.15	75.79	8.32	71.51
iv)	Total Expected Payments	9.84	137.04	13.76	129.56
J)	**Sensetive Analysis of the defined benefit obligation**				
i)	Impact of the change in the discount rate				
	Present value of obligation at the end of the period	9.84	137.04	13.76	-
	Impact due to increase of 0.50%	(0.38)	(3.39)	(0.57)	-
	Impact due to decrease of 0.50%	0.41	3.61	0.63	-
ii)	Impact of the change in the salary increase				
	Present value of obligation at the end of the period	9.84	137.04	13.76	-
	Impact due to increase of 0.50%	0.42	2.98	0.64	-
	Impact due to decrease of 0.50%	(0.39)	(2.94)	(0.59)	-

Sensitivities due to mortality and withdrawals are insignificant and hence ignored.

(₹ In Lakhs)

	Particulars	2018-19	2017-18
	Defined Contribution Plans		
III	**Contribution to defined contribution plan, recognised as expenses for the year as under**		
	i) Recognised provident fund (including family pension)	7.95	8.26
	ii) Medical insurance premium	5.36	6.98
47	**Remuneration to auditors**		
	a) Statutory audit fee	10.00	8.00
	b) Tax audit fee	1.00	-
	c) Certification of matters	4.00	3.20
	d) Taxation matters	0.60	0.60
	e) GST	2.81	2.11
	f) Expenses for audit and other work	0.23	0.28
48	**Remuneration to Cost Auditors**		
	a) Cost audit fees	1.20	1.20
	b) Expenses for cost audit and other work	-	-
	c) GST	0.22	0.22
49	**Disclosure as required by Ind AS 17, Leases**		
	A Finance lease		
	(a) Company as lessee		
	The Company does not have any finance lease agreement.		
	B Operating Lease		
	(a) Company as Lessee		
	i) The Company has entered into operating leases on premises and land		
	ii) The future minimum non-cancellable operating lease payables are as follows:		
	Not Later than one year	199.89	168.55
	Later than one year and not later than five years	533.23	590.66
	Later than five years	197.48	976.03
	General description of lease terms		
	i) Lease rentals are charged on the basis of terms and conditions.		
	ii) Assets are taken on lease for a period of fifteen months to sixty months.		

50 Foreign currency exposure

Details of foreign currency exposure of the entity is as mentioned below:-

(In Lakhs)

Particulars	31 March 2019		31 March 2018	
	US Dollars	₹	US Dollars	₹
(a) Foreign currency exposures				
i) Receivables	20.78	1,422.56	22.94	1474.75
ii) Payables	0.62	43.00	3.98	261.40
(b) Foreign currency exposures			Euro	₹
i) Receivables	-	-	-	-
ii) Payables	-	-	0.01	0.50

51 Fair value measurement

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values :

1 Fair value of cash and short-term deposits, trade and other short term receivables, trade payables , other current liabilities, short-term loans from banks and other financial institutions approximate their carrying amounts largely due to the short term maturities of these instruments.

2 Financial instruments with fixed and variable interest rate are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counter party. Based on this evaluation, allowances are taken into account for the expected losses of these receivables.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique.

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

Level 2 : other techniques for which all inputs which have a significant effects on the recorded fair value are observable, either directly or indirectly.

Level 3 : techniques which use inputs that have a significant effects on the recorded fair value that are not based on observable market data.

The following tables provides classification of financial instruments and the fair value hierarchy of the Company's assets and liabilities.

(a) Disclosures for the year ended 31 March 2019

(₹ In Lakhs)

				Fair Value	
	Carrying Value	**Fair Value**	**Level -1**	**Level -2**	**Level -3**
1 Financial Assets					
At amortised cost					
Cash & cash equivalents	188.32	188.32	-	-	-
Bank balance other than above	1,405.76	1,405.76	-	-	-
Trade receivables	1,846.37	1,846.37	-	-	1,846.37
Other financial assets	302.86	302.86	-	-	302.86
Investments	-	-	-	-	-
Tax Free Bonds and Government Bonds	-	-	-	-	-
	3,743.31	3,743.31	-	-	2,149.23
Fair value through profit and loss					
Investments in mutual fund	13,256.51	13,256.51	13,256.51	-	-
	13,256.51	13,256.51	13,256.51	-	-
Fair value through other comprehensive income					
Investments					
Mutual Fund (Equity Investment)	-	-	-	-	-
	-	-	-	-	-
Grand total	16,999.82	16,999.82	13,256.51	-	2,149.23
2 Financial Liabilities					
At amortised cost					
Borrowings	51.57	51.57	-	-	51.57
Trade payables	262.56	262.56	-	-	262.56
Other financial liabilities	172.17	172.17	-	-	172.17
	486.30	486.30	-	-	486.30

(b) Disclosures for the year ended 31 March 2018

				Fair Value	
	Carrying Value	**Fair Value**	**Level -1**	**Level -2**	**Level -3**
1 Financial assets					
At amortised cost					
Cash & cash equivalents	2,216.01	2,216.01	-	-	-
Bank balance other than above	6,433.95	6,433.95	-	-	-
Trade receivables	1,865.95	1,865.95	-	-	1,865.95
Other financial assets	246.73	246.73	-	-	246.73
Investments	-	-	-	-	-
Tax Free Bonds and Government Bonds	-	-	-	-	-
	10,762.64	10,762.64	-	-	2,112.68
Fair value through profit and loss					
Investments in Mutual Fund	3,505.50	3,505.50	3,505.50	-	-
	3,505.50	3,505.50	3,505.50	-	-
Fair value through other comprehensive income					
Investments					
Mutual Fund (Equity Investment)	-	-	-	-	-
	-	-	-	-	-
Grand total	14,268.14	14,268.14	3,505.50	-	2,112.68
2 Financial liabilities					
At amortised cost					
Borrowings	36.21	36.21	-	-	36.21
Trade payables	459.83	459.83	-	-	459.83
Other financial liabilities	218.15	218.15	-	-	218.15
	714.19	714.19	-	-	714.19

(d) Description of significant unobservable inputs to valuation

Financial Assets/ Liability	Valuation Technique	Significant unobservable Input
Trade receivables	ECL	Realisation pattern or past experience
Borrowings	DCF Method	Discount Rate

52. Financial Risk Management

The Company's principal financial liabilities comprise borrowings, trade and other payables and advances from customers. The main purpose of these financial liabilities is to finance the Company's operations, projects under implementation and to provide guarantees to support its operations. The Company's principal financial assets include Investment, trade and other receivables and cash and bank balances that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Managing Board. The Board of Directors reviews and finalises policies for managing each of these risks, which are summarised below

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three type of risk: interest rate risk, currency risk and commodity price risk. Financial instrument affected by market risk include investments and deposits, receivables, payables, loans and borrowings.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regard to interest income and interest expenses to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

Interest rate sensitivity

The Company has not availed any floating interest borrowings, hence is not exposed to interest rate risk.

(ii) Foreign Currency risk

The Indian Rupee is the entity's most significant currency. As a consequence, the entity's results are presented in Indian Rupees and exposures are managed against Indian Rupees accordingly. The entity has limited foreign currency exposure which are mainly on account of purchases and exports.

The company has not hedged its foreign currency exposure as at 31 March 2019 and 31 March 2018.

(iii) Commodity price risk

The Company is exposed to volatility of the oil and gas prices since the Company does not undertake any oil price hedge. The impact of a falling oil price is however partly mitigated via the production sharing formula in the PSCs, whereby the Company's share of gross production increases in a falling oil price environment due to the cost recovery mechanism. Gas prices are fixed for a certain duration of time and the same are based on policy guidelines issued by the Government.

(b) Credit Risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and advances to suppliers) and from its financing activities, including deposits and other financial instruments.

(i) Trade Receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to individual group of customers. Outstanding customer receivables are regularly monitored. An impairment analysis is performed at each reporting date on an individual basis for major clients.

The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets.

The ageing analysis of the receivables (gross of provisions) have been considered from the date the invoice falls due.

(₹ In Lakhs)

Particulars	31 March 2019	31 March 2018
Less than 6 months	1,528.85	1,572.81
6 to 12 months	67.95	50.63
More than 12 months	249.57	242.51
Total	**1,846.37**	**1,865.95**

The following table gives details in respect of percentage of revenues generated from top customer and top five customers:

(in %)

Particulars	2018-19	2017-18
Revenue from Top Customer	91%	90%
Revenue from Five Customers	99%	99%

(ii) Financial Instruments and Cash and bank balances

Credit risk from balances with banks and financial institutions is managed by the Company in accordance with the Company's policy. Investments of surplus funds are made only with approved authorities. Credit limits of all authorities are reviewed by the Management on a regular basis. All balances with banks and financial institutions is subject to low credit risk due to the good credit ratings assigned to these entities.

(c) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

In the management of liquidity risk, the Company monitors and maintains a level of cash and bank balances deemed adequate by the management to finance the Company's operations and mitigate the effects of fluctuations in cash flow.

The table below summaries the maturity profile of the Company's financial liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

(₹ In Lakhs)

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
31 March 2019				
Borrowings				
Vehicle Loan from others	12.81	51.57	-	64.38
Other financial liabilities	159.36	-	-	159.36
Trade & Other payables	262.56	-	-	262.56
Total	434.73	51.57	-	486.30
31 March 2018				
Borrowings				
Vehicle Loan from others	8.97	36.21	-	45.18
Other financial liabilities	209.18	-	-	209.18
Trade & Other payables	459.83	-	-	459.83
Total	677.98	36.21	-	714.19

53 Capital Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value. In order to maintain or achieve an optimal capital structure, the Company may adjust the amount of dividend payment, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or sell assets to reduce borrowings.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

(₹ In Lakhs)

Particulars		31 March 2019	31 March 2018
Borrowings		64.38	45.18
Less: current investments		13,256.51	3,505.51
Less: Cash and cash equivalents		188.32	2,216.02
Net Debt	(a)	(13,380.45)	(5,676.35)
Equity	(b)	32,580.86	29,440.37
Equity and Net Debt	(c) = (a+b)	19,200.42	23,764.02
Gearing Ratio	(a) / (c)	(69.68)%	(23.89)%

54 Managerial Remuneration

(₹ In Lakhs)

Particulars	31 March 2019	31 March 2018
Salary and allowance to Manager	25.36	23.31
Remuneration to Whole time director (including salary)	280.00	175.00

Note : Provision for accruing liability for gratuity & leave encashment, which are provided on actuarial basis for the Company as a whole and is not separately ascertainable and, therefore, not included above.

55 CIF Value of Imports (including items in stock)

(₹ In Lakhs)

Particulars	31 March 2019	31 March 2018
a) Capital goods	35.73	4.16

56 Value of Spare Parts and components consumed

Particulars		31 March 2019	31 March 2018
i)	Imported	50.49	69.86
	Percentage to the total	32%	56%
ii)	Indigeneous	107.54	54.96
	Percentage to the total	68%	44%
iii)	Total	158.03	124.82

57 Expenditure in Foreign Currency

Particulars		31 March 2019	31 March 2018
a)	Technical Services (Net of TDS)	191.52	222.17
b)	Travel	51.46	75.19

58 The Company has not received any information from suppliers or service providers, whether they are covered under the “Micro, Small and Medium Enterprises (Development) Act, 2006”. Disclosure relating to amount unpaid at the year-end together with interest payable, if any, as required under the said Act are not ascertainable.

59 Presentation of Negative Amounts

Unless otherwise stated or the context requires it to be interpreted otherwise, figures in bracket in the financial statements represent negative amounts.

60 Previous year figures have been rearranged / regrouped where ever necessary.

61 In the opinion of management, the value of the assets, other than fixed assets, on realization in the ordinary course of business, will not be less than the value at which they are stated in the Balance Sheet.

For J. A. Martins & Co.
Chartered Accountants
ICAI Firm Regn. No. 010860N

J. A. Martins
Proprietor
(M. No. 082051)

New Delhi	**POOJA AGNIHOTRI**	**VIJAY KIRPAL**	**M. SINGH**	**R. KAPUR**
29 May 2019	COMPANY SECRETARY	CHIEF FINANCIAL OFFICER	DIRECTOR	CHAIRMAN
			DIN : 07585638	DIN : 00017172

SELAN EXPLORATION TECHNOLOGY LIMITED
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E-mail id : investors@selanoil.com; Tele Fax No. : 0124-4200326

NOTICE

NOTICE is hereby given that the Thirty Fourth Annual General Meeting of Selan Exploration Technology Limited will be held at Ashok Country Resort, Rajokri Road, Kapashera, New Delhi – 110037 on Wednesday, 18 September 2019 at 10:00 A.M. to transact the following business :

ORDINARY BUSINESS

1) To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31 March 2019 along with the Reports of the Directors' and Auditors' thereon.

2) To declare the interim dividend of 50 % amounting to ₹ 5/- per equity share paid during the year as final dividend for the financial year 2018-19.

SPECIAL BUSINESS

To consider and if thought fit, to pass, with or without modification(s) the following resolution:

AS ORDINARY RESOLUTION

1) RATIFICATION OF REMUNERATION OF COST AUDITOR FOR FINANCIAL YEAR 2019- 20.

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Mr. R. Krishnan, Cost Accountant (Membership No. 7799) appointed as the Cost Auditor by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2019-20 on a remuneration of Rs. 120,000/- per annum, be and is hereby ratified."

By Order of the Board

for SELAN EXPLORATION TECHNOLOGY LTD.

10 August 2019 — POOJA AGNIHOTRI
New Delhi — Company Secretary

NOTES :

1) A member entitled to attend and vote is entitled to appoint a proxy and such proxy need not be a member of the Company. A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. The instrument appointing proxy may be sent in the form enclosed and in order to be effective must reach the Registered Office of the Company at least 48 hours before the Meeting.

2) (i) Members holding shares in physical form are requested to intimate all changes pertaining to their bank details, e-mail address, change of address / name and submit PAN, quoting their folio number to the Registrar and Share Transfer Agent, MCS Share Transfer Agent Ltd., Unit : Selan Exploration Technology Ltd., F-65, First Floor, Okhla Industrial Area, Phase – I, New Delhi – 110020.

(ii) Members holding shares in dematerialised mode are requested to intimate all changes pertaining to their bank details, ECS mandates, e-mail addresses, nominations, power of attorney, change of address / name and submit PAN to their Depository Participant (DP) only and not to the Company or its Registrar and Share Transfer Agent. Any such changes effected by the DPs will automatically reflect in the Company's subsequent records.

3) Register of Members and Share Transfer Books of the Company will remain closed from 11 September 2019 to 18 September 2019 (both days inclusive).

4) Memorandum & Articles of Association of the Company and documents related to the resolutions will be available for inspection at the Registered Office of the Company between 11:00 a.m. and 1:00 p.m. on all working days except Saturdays and will also be available at the meeting.

5) Ministry of Corporate Affairs ("MCA") has vide Circular No. 17/2011 dated 21 April 2011 & Circular No. 18/2011 dated 29 April 2011 allowed the service of documents on members by a Company through electronic mode. Accordingly, as a part of its Green initiative in Corporate Governance and in terms of circulars issued by Ministry of Corporate Affairs allowing paperless compliances through electronic mode, soft copy of the Annual Report for the year ended 31 March 2019 has been sent to all the members whose e-mail address is registered with the Company / Depositary Participant(s) unless any member has requested for a hard copy of the same. All those members, who have not yet registered their e-mail address with the Company / Depository Participant, are requested to do the same at the earliest.

6) The members are requested to send their queries, if any, on accounts or proposed resolutions at least 48 hours in advance of the meeting to the Company, so that the same may be answered satisfactorily at the meeting.

7) Members / Proxies should bring the Attendance slip duly filled-in for attending the meeting.

8) Voting through electronic means:

I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Amendment Rules, 2015 ('Amended Rules, 2015') and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the Thirty Fourth Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-Voting") will be provided by National Securities Depository Limited (NSDL). The members may cast their votes using an electronic voting system from a place other than the venue of the meeting (Remote e-Voting).

II. The facility for voting through polling paper shall be made available at the AGM and members attending the meeting who have not cast their votes by remote e-Voting shall be able to exercise their right at the meeting through polling paper.

III. The members who have cast their vote by remote e-Voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

IV. The instructions for e-Voting are as under:

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1 : Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL e-services i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID
	For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID
	For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company
	For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
   (i) If your e-mail ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your e-mail ID. Trace the e-mail sent to you from NSDL from your mailbox. Open the e-mail and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
   (ii) If your e-mail ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
   a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1 Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution / Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to selan.scrutinizer@gmail.com with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such

an event, you will need to go through the “Forgot User Details/ Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in.

V. The remote e-Voting period commences on 15 September 2019 (9:00 a.m.) and ends on 17 September 2019 (5:00 p.m.). During this period shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of 11 September 2019, may cast their vote by remote e-Voting. The remote e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

VI. The voting rights shall be as per the number of equity shares held by the member(s) as on 11 September 2019. Mr. S. R. Iyer, Practising Chartered Accountant (Membership No. FCA082039) has been appointed as the Scrutinizer to scrutinize voting by Poll and remote e-Voting process in a fair and transparent manner.

VII. Any person, who acquire shares of the Company and become member of the Company after dispatch of the notice of AGM and holding shares as on the cut-off date i.e. 11 September 2019, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or helpdeskdelhi@mcsregistrars.com.

VIII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting as well as voting at the AGM through polling paper.

IX. The Chairman shall, at the AGM, at the end of discussion on the resolution on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of polling paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-Voting facility.

X. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-Voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated Scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.

XI. The Results declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.selanoil.com and on the website of NSDL immediately after the declaration of results by the Chairman or a person authorised by him in writing and the same be communicated to the BSE Ltd. and National Stock Exchange of India Ltd.

EXPLANATORY STATEMENT

(Under Section 102 of the Companies Act, 2013)

Item No. 1

The Board on the recommendation of the Audit Committee has appointed Mr. R. Krishnan (Membership no. 7799) as the Cost Auditor of the Company for the financial year 2019-20 which was approved by the Board in its meeting held on 29 May 2019. As per Rule 14 of the Companies (Audit & Auditors) Rules, 2014, the remuneration payable to Cost Auditors is to be ratified by the shareholders. Hence, this resolution is put for the consideration of the shareholders.

None of the Directors and Key Managerial Personnel of the Company and their relatives, is concerned or interested in this resolution. Your Directors recommend the above Ordinary Resolution for approval.

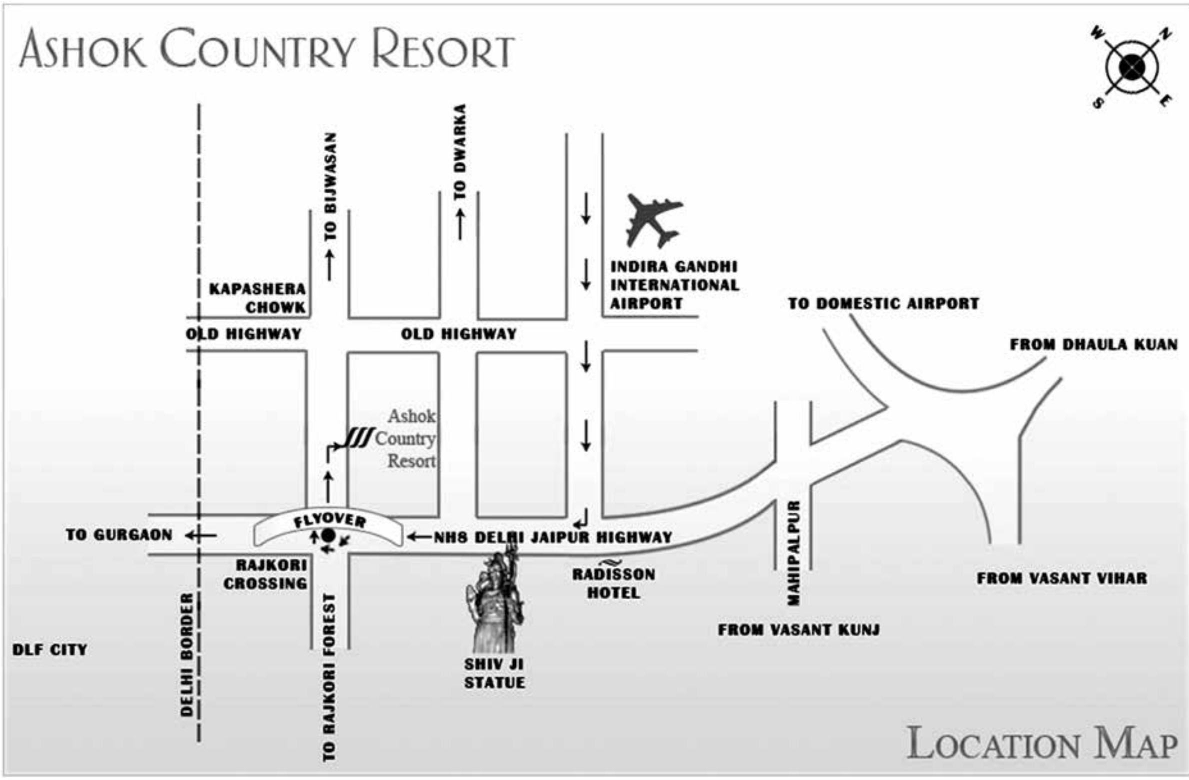
By Order of the Board
for SELAN EXPLORATION TECHNOLOGY LTD.

10 August 2019
New Delhi

POOJA AGNIHOTRI
Company Secretary

ROUTE MAP TO AGM VENUE

VENUE : Ashok Country Resort, Rajokri Road, Kapashera, New Delhi - 110037



SELAN EXPLORATION TECHNOLOGY LTD.

Regd. Office : J-47/1, Shyam Vihar, Dindarpur, Najafgarh, New Delhi - 110 043
CIN : L74899DL1985PLC021445; Website : www.selanoil.com
E-mail Id : investors@selanoil.com; Telefax No. : 0124-4200326

ATTENDANCE SLIP

Annual General Meeting, 18 September 2019

I certify that I am a Registered Shareholder / Proxy for the Registered Shareholder of the Company.
I certify that I have / have not cast my E-Vote.
I hereby record my presence at the Annual General Meeting of the Company at Ashok Country Resort, Rajokri Road, Kapashera, New Delhi-110 037 on Wednesday, 18 September2019 at 10:00 a.m.

Member's / Proxy's name in BLOCK LETTERS

Member's / Proxy's Signature

Note : Please fill in this Attendance Slip and hand it over at the Entrance of the Meeting Hall.
Kindly also note that no gifts, conveyance etc. will be given at the Meeting.

E-VOTING PARTICULARS

REVEN (Remote E-Voting Event Number)	USER ID	PASSWORD / PIN

Note : Please read instructions given at Note No. 8 of the Notice of the 34th Annual General Meeting carefully before voting electronically.

SELAN EXPLORATION TECHNOLOGY LTD.

Regd. Office : J-47/1, Shyam Vihar, Dindarpur, Najafgarh, New Delhi - 110 043
CIN : L74899DL1985PLC021445; Website : www.selanoil.com
E-mail Id : investors@selanoil.com; Telefax No. : 0124-4200326

PROXY FORM

Annual General Meeting, 18 September 2019

Name of the member (s) :
Registered Address :
E-mail Id :
Folio / DP ID - Client ID No. :

I / We, being the member (s) of .... shares of the above named Company, hereby appoint :

1) Name : .... Address : ....
E-mail Id : .... Signature : ...., or failing him;

2) Name : .... Address : ....
E-mail Id : .... Signature : ...., or failing him;

3) Name : .... Address : ....
E-mail Id : .... Signature : ....

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 34th Annual General Meeting of the Company, to be held on Wednesday, 18 September 2019 at 10:00 a.m. at Ashok Country Resort, Rajokri Road, Kapashera, New Delhi - 110 037 and at any adjournment thereof in respect of such resolutions as are indicated below:

1. Adoption of Financial Statements for the year ended 31 March 2019.
2. Declaration of Interim Dividend as Final Dividend for the Financial Year 2018-19.
3. Ratification of Remuneration of Cost Auditor For Financial Year 2019-20.

Affix Revenue Stamp

Signed this .... day of 2019

Signature of shareholder .... Signature of Proxy holder(s)..

Note : This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.