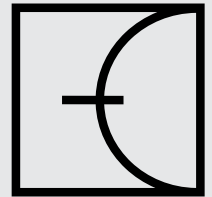


**ANNUAL REPORT 2020-21**



**Late Mr. R. N. Kapur**

*Founder and Former Chairman*

**BOARD OF DIRECTORS**

Mr. R. Kapur, Chairman

- Dr. D. J. Corbishley • Mr. M. Singh
- Mr. R. S. Sidhu • Ms. S. Bhagwati Dalal • Mr. T. Currimbhoy

**CHIEF FINANCIAL OFFICER**

Mr. Vijay Kirpal

**COMPANY SECRETARY**

Ms. Deepa Bhalla

**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 2021.

## Review of Operations

The Company's operations during the year stabilised very quickly after the impact of the initial lockdown in the first quarter of the Financial Year 2020-21. A significant drop in oil prices, also during the early part of the fiscal year, adversely affected profitability along with a drop in production volumes due to the pandemic. Towards the later part of the fiscal year, volumes and oil prices began to improve once again, and we expect this trend to continue during the present fiscal year.

The Company officially signed the Production Sharing Contract (PSC) extensions for the Bakrol and Lohar PSC's for a further ten year period ending 2030 with the Government of India after completing all the necessary formalities. The Ministry of Petroleum and Natural Gas / Directorate General of Hydrocarbons and Selan, as members of the Management Committee for these Oil and Gas fields, also approved and adopted the PSC accounts upto 31 March 2018, as required for signing of the PSC extensions.

The Covid-19 pandemic has had, a major impact on almost all forms of economic activities and has adversely affected oil demand owing to prolonged periods of lock-downs in the Country. In view of the threat of COVID-19 and a slow economic revival, a sudden drop in prices remains a worry in the near future. Based on the perceived threat posed by the pandemic and in anticipation of a possible disruption in future, the Company has prepared itself operationally to ensure critical supplies of oil and gas without compromising the health and safety of its valued workforce including contract workers. The disruptions due to lockdowns, physical movement, unprecedented migration of labour force, supply chain disruptions, increased costs, and a depressed economic environment have had and continue to have a near term impact on the industry. While it is difficult to predict how long such a situation will continue, the various initiatives taken by the Government will go a long way to help tide over the turbulent period in the near term.

In view of the ongoing current COVID pandemic, health and safety measures have taken an unprecedented importance and the Company has been taking all the necessary measures and precautions to ensure safety of its employees. Despite the operational challenges posed by the Covid-19 pandemic, the Company ensured the continuance of field operations and for the purposes introduced a series of measures to ensure continued availability of resources, services and manpower for uninterrupted field operations.

The Company expects to keep up to its current momentum in terms of its business operations.

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

An interim dividend of 50% i.e. ₹ 5/- per share has been declared by the Board of Directors, which shall be declared as final dividend for the year 2020-21 in the upcoming AGM subject to approval by the shareholders of the Company.

The dividend resulted in cash outlay of ₹ 760.00 lakhs.

## Transfer to IEPF

During the year, an amount of ₹ 1,566,595 being unclaimed dividend for the Financial Year 2013-14 alongwith 12,550 equity shares were duly transferred to the Fund established by the Central Government.

In Compliance with the Companies Act, 2013 and the IEPF Rules, Members /Claimants whose shares and /or unclaimed dividend, which have/has 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 the requisite fee as decided by the IEPF authority from time to time. Only one consolidated claim in a financial year can be filed by the Member/Claimant as per the IEPF Rules.

An Investor Education and Protection Fund ("IEPF" or "Fund") has been established by the Central Government, in compliance with the 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"), whereby all unpaid or unclaimed dividends by the members are required to be transferred by the Company to the Fund after completion of seven years from the date of dividend becoming unpaid / unclaimed. The shares in respect of which dividend has not been paid or claimed by the members for a period of seven consecutive years or more shall also be transferred to a demat account created by the IEPF Authority.

Further, according to the IEPF Rules, the Company had sent individual notices to the concerned members and also advertised in the newspapers to enable those members who have not claimed their dividends for seven consecutive years or more to take appropriate action to claim their unpaid dividend amount which has not been claimed for seven consecutive years or more. The Company has transferred the unpaid or unclaimed dividends to The Investor Education and Protection Fund (IEPF) within the timelines extended by the Ministry of Corporate Affairs due to COVID-19 pandemic.

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.seloil.com](http://www.seloil.com). The shareholders are advised 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
2014 – 15	1,550,495	10 April 2022
2015 – 16	1,619,085	14 April 2023
2016 – 17	2,072,735	16 April 2024
2017 – 18	1,523,060	07 April 2025
2018 – 19	1,116,310	23 February 2026
2019 – 20	1,186,785	02 April 2027
2020 - 21	1,467,057	22 March 2028

The Company has appointed a Nodal Officer under the provisions of IEPF, the details of which are available on the website of the Company at [www.seloil.com](http://www.seloil.com) under Investor Information section.

## Financial Review

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

(in ₹ lakhs)

	2019-20	2020-21
Net Sales	8,960	4,882
EBIDTA	6,365	2,105
EBIDTA / Net Sales	71%	43%
Reserves and Surplus	31,256	31,121

Total Reserves and Surplus of the Company stand at ₹ 311 crores as on 31 March 2021. The Board has not recommended any transfer to General Reserves from the profits during the year under review.

## Meetings of the Board & Committees

There were nine Board Meetings held during the Financial Year 2020-21. Details of the Board and Committee meetings forms part of the Corporate Governance Report. The intervening gap between

the meetings was within the period prescribed under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 and subsequent amendments thereof.

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

The Independent Directors of the Company have submitted a declaration meeting the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 25(8) of SEBI (LODR) Regulations, 2015. The above Declaration has been taken on record. Further, All the Independent Directors of the Company have also complied with the Code for Independent Directors prescribed in Schedule IV of the Companies Act.

**Directors Responsibility Statement**

Pursuant to the requirement under Section 134 (5) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- (i) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) The Directors have prepared the annual accounts on a going concern basis;
- (v) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (vi) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and are operating effectively.

**Policy on Directors' Appointment and Remuneration**

The Nomination and Remuneration Committee as constituted by the Company in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 19 of Listing Regulation lays down a framework in relation to the appointment and remuneration of Directors, Key Managerial Personnel and Senior Management Personnel.

The role of the Committee is to guide the Board in matters specifically concerning the appointment and remuneration of Directors and formulate the criterion for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration of Directors and Key Managerial Personnel. The Committee formulates a criteria for evaluation of Board of Directors including the Independent Director. It also recommends to the Board on the remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

The role of the Nomination Committee is to review the structure, skills and composition of the Company Board. The Committee considers suitable nominations for appointments to the Board and makes appropriate recommendations based on qualifications, skills and experience of the Managerial Personnel. It recommends the remuneration of Directors and Key Managerial Personnel, which is approved by the Board of Directors, subject to approval of shareholders where necessary. 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 the Nomination and Remuneration Committee for appointment as an Independent Director on the Board. The Committee gives due consideration to ethical standards of integrity, qualification, expertise and experience of the person for appointment as Director and ensures that such a person is not disqualified under the Companies Act, 2013 and rules made thereunder and accordingly recommends his / her appointment to the Board.

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 as per the provisions of the Companies Act, 2013 for attending the meetings of the Board / Committees thereof.

The objective and broad framework of the Remuneration Policy as adopted by the Company is to consider and determine the remuneration, based on the fundamental principles of payment for performance, potential and growth. The Nomination and Remuneration Policy as approved by the Board may be accessed on Company's website at [www.seloil.com](http://www.seloil.com). The Board considers the Nomination and Remuneration Committee's recommendations and subsequently takes appropriate decisions.

**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.

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 and 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.

Your Company has adopted a Related Party Transaction Policy. The Audit Committee reviews this policy from time to time and 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. 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 at [www.seloil.com](http://www.seloil.com).

**Risk Management**

Selan operates in a dynamic operating environment, having in place comprehensive risk assessment and minimization procedures, which are reviewed by the Board periodically. 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. 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 compliances related to Risk Management Committee as per Regulation 21 of SEBI (LODR) Regulations, 2015 are not applicable on our Company, hence the Company need not to comply with the provisions relating to formation of Risk Management Committee.

**Board Evaluation**

The Board carries out an Annual Performance Evaluation of its own performance, of its Directors individually and that of its Committees



in compliance with the provisions of the Companies Act, 2013 and Regulation 17(10) of the SEBI (LODR) Regulations, 2015. During the year, a Separate Meeting of Independent Directors was held on 06 February 2021 to assess the performance evaluation of the Non-Independent Directors, the Chairperson of the Company as well as the Board as a whole taking into account the views of the Executive Director and Non-Executive Directors. 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**

There was no change in the composition of Directors during the year under review. Ms. Deepa Bhalla, Company Secretary and Compliance Officer (KMP) was appointed on 16 May 2020.

Mr. M. Singh, Independent Director, whose term expires on 10 August 2021, being eligible, offers himself for re- appointment as an Independent Director, with effect from 11 August 2021 to 10 August 2026.

Ms. S. B. Dalal, Independent Director, whose term expires on 26 December 2021, being eligible, offers herself for re-appointment as an Independent Director, with effect from 26 December 2021 to 25 December 2026.

The Nomination and Remuneration Committee of the Company has duly recommended their re-appointment for a further period of 5 years. The Company has received declarations from the abovesaid Independent Directors of the Company confirming that they meet the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Listing Agreement with the Stock Exchanges. The Board has approved their re-appointment subject to approval of shareholders in the ensuing Annual General Meeting.

The Independent Directors of the Company have registered themselves with the Indian Institute of Corporate Affairs, Manesar ('IICA') as required under Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014. They have served for more than three years on the Board of listed entities and hence are not required to pass the online proficiency self-assessment test as per the proviso to Rule 6(4) of Companies (Appointment and Qualification of Directors) Rules, 2014.

The Company has eminent individuals from diverse fields as Directors on its Board, who bring in the required skills, integrity, competence, expertise and experience that are required for making effective contribution to the Board.

#### **Whistle Blower Policy**

The Company has adopted a Vigil Mechanism /Whistler Blower Policy to provide a formal mechanism for 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. The policy can be viewed on the Company's website at [www.selanoil.com](http://www.selanoil.com).

#### **Audit Committee**

The Audit Committee of the Company coordinates with the management team, independent auditors and internal auditors to monitor the choice of accounting policies, principles and to ensure compliance with the applicable laws and regulations.

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

year. Having adequate financial and accounting knowledge Mr. Singh ensured compliance with the internal financial control systems and devised appropriate systems and frameworks aligned with the business requirements.

#### **Internal Financial Controls and their adequacy**

Selan ensures adherence to adequate Internal financial controls systems with respect to the policies and procedures adopted by the Company for the orderly and efficient conduct of its business, including adherence to Company's policies involving safeguarding of its assets, prevention and detection of frauds and errors, and ensuring the accuracy and completeness of the accounting records, together with the timely preparation of reliable financial information.

In compliance with the provisions of Section 134(5)(e) of the Companies Act, 2013, the Directors have an overall responsibility for ensuring that the Company has implemented a 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 Audit Committee evaluates the internal financial control systems periodically and ensures that 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.

#### **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.

The Statutory Auditors have confirmed their eligibility and submitted their certificate of disqualification to hold office of Statutory Auditors of the Company.

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

#### **Cost Auditor**

The Board of Directors have in accordance with the terms of Section 148 of the Companies Act, 2013 and 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 2021-22 at a remuneration of ₹120,000/- per annum to conduct the audit of its cost accounting records. 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 2020 was carried out by Mr. R. Krishnan and the report was filed on 09 September 2020. There are no qualifications or reservations or adverse remarks or frauds reported by the Auditors in their Cost 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 2020-21 to conduct the internal audit of the functions and activities of the Company. Their Report to the Chairman of the Audit Committee had been submitted and this was further reviewed by the Management and had been taken on record.

#### **Secretarial Auditor**

The Board of Directors of the Company have reappointed M/s Nityanand Singh & Co. (ICSI Membership No. 2668 and Certificate of Practice No. 2388), Practicing Company Secretaries for conducting Secretarial Audit of the Company for financial year 2020- 21. In terms of provisions of section 204(1) of the Companies Act, 2013, the 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.

### **Corporate Governance Report**

The external environment in which Companies operate has become increasingly complex for Companies and shareholders alike. The increased regulatory burdens imposed on Companies in the recent years have added to the costs and complexity of overseeing and managing a corporation's business and brings new challenges from operational, regulatory and compliance perspectives.

Corporate Governance is ensured by taking ethical business decisions in a fair and transparent manner with a fair commitment to values, while meeting stakeholder's expectations. In compliance with the SEBI (LODR) Regulations, 2015, Management Discussion and Analysis and a Report on Corporate Governance along with the Certificate from Auditors regarding compliance of conditions of Corporate Governance is annexed to the Directors' Report. A declaration by the Whole-Time Director regarding the compliance with the Code of Conduct also forms part of this Annual Report.

### **Annual Return**

A copy of the Annual Return is placed on the website of the Company at [www.seloil.com](http://www.seloil.com).

### **Loans, Guarantees or Investments**

The Company has not given any loan or guarantee or provided securities during the year 2020-21 which may attract 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**

No Deposits had been accepted by the Company during the year under report. Further, the Company also did not have any deposits remaining unpaid or unclaimed at the end of the year.

### **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**

Women's equality in power sharing and active participation in decision making at all levels is essential to ensure the achievement of the goals of empowerment.

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 provide for protection against sexual harassment of women at workplace and for prevention and redressal of such complaints received by the Company.

SELAN has always believed that an 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. Internal Complaints Committee has been set up to redress complaints, if any, received regarding sexual harassment. We affirm that adequate access would be provided to any complainant who wishes to register a complaint under the Policy. During the year under review, the Company did not receive any complaint under the Policy.

### **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 2021, 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. 49 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 2021 and the date of this report.

### **General Information**

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

### **Capital Structure**

There was no Change in the Capital Structure of the Company during the year under review.

### **Corporate Social Responsibility**

Selan as a responsible Corporate is committed to driving societal progress, while fulfilling its business objectives. With safety, health and environment protection being 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 its employees, clients and the community. The Company has in place a CSR Policy in line with Schedule VII of the Companies Act, 2013 and is available at the Company's website at [www.seloil.com](http://www.seloil.com). Brief details about the CSR Committee and the CSR Policy developed and implemented by the Company on CSR initiatives taken during the year is given in Annexure-B 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 an impact on the affairs of the Company except the impact of Covid-19 pandemic.
11. During the financial year ended 31 March 2021, securities of the Company have not been suspended from trading on any of the Stock Exchanges where they are listed.
12. Company has obtained a certificate from Mr. Nityanand Singh, Company Secretary in practice confirming 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.

#### **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 -C.

#### **Appreciation**

The Directors take this opportunity to express their gratitude to all our customers, vendors, investors, auditors and bankers who have motivated the Company to excel in all its pursuits and constantly contributed towards making the Company more valuable.

On behalf of the Company, we wish to convey our deepest 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 Company would like to place on record the valuable contributions made by Late Mr. P.S. Oberoi, one of the senior most members of the Company's management team, during his nearly three decade long association with the Company.

The Directors also place on record the enthusiasm and unstinting efforts of all the employees 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. SELAN 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 our organization as a whole.

For and on behalf of the Board

Place : New Delhi  
Date : 25 June 2021

R. KAPUR  
Chairman  
(DIN : 00017172)

# MANAGEMENT DISCUSSION AND ANALYSIS

## 1. Industry Structure and Developments

The Oil & Gas industry, has been severely affected due to the sharp decline in demand and crash in prices as a result of the continuing pandemic since last year. No industry has been spared of the effects of this pandemic. Dual supply & demand pressures are therefore pushing Oil & Gas companies toward discipline in finance, prudent capital allocation, risk management & environmental governance.

The Government has been focusing on its policy initiatives toward a 'Atmanirbhar Bharat'. This applies to the Oil & Gas industry as well, where the Government further strengthened its commitment toward reducing oil import dependence. It is now putting its efforts toward a market driven pricing mechanism for Natural Gas. These policies include some very welcome changes. The move to a revenue sharing regime, rationalization of royalty and cess, full pricing and marketing freedom for Oil & Gas, ability to quickly identify areas of interest, bid and secure them are noteworthy.

India imports a large proportion of its crude Oil and Gas requirements to meet the exploding energy needs of its vast population. 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. This 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. With a stable political regime in place, backed by strong economic fundamentals, the country is expected to move forward with more reforms in the Oil and Gas sector and set the direction for future economic growth.

Even in the turbulent times globally, the Oil & Gas sector in India, is opening up. Demand for domestically produced oil remains intact as there is a captive market for the Oil & Gas produced in India. The decision of the Government signals a paradigm shift in the core goal moving from revenue-maximization to production-maximization, with focus on exploration. This will incentivize increased investment and production. SELAN 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. India is one of the fastest growing major economies in the world and will continue to remain so in the years to come. Oil and Gas sector is one of the driving forces in the functioning of the economy. The value addition is made through improvements in process capability, casting yields, resource utilization, efficiency and development of new business opportunities. With continued focus on high technology and improving efficiency, the Company is likely to achieve its production targets. Selan is committed to active development of its field operations and maximize its ultimate recovery.

Policy framework on reforms in exploration and licensing sector have been approved by the Government for enhancing domestic exploration and production of Oil and Gas. At Selan, we view these developments positively and consider them to be opportunities for us to leverage our potential and contribute to the nation's energy security in a meaningful way.

## 2. Outlook

The Government of India and Selan signed Production Sharing Contracts (PSCs) in 1995 for Bakrol, Indrora and Lohar Oilfields. Further, Ministry of Petroleum and Natural Gas (MoPNG) also awarded Contracts for the Karjisan field and the Ognaj Oilfield to the Company in 2004. The PSC for Indrora field expired on 12 March 2020. The Company had initially applied for an extension of the PSC, however, considering techno – economic reasons, the Company decided not to pursue the said extension. DGH and MoPNG have written to the Company that on expiry of the PSC, the field should be handed over to ONGC. This process completed on 12 March 2020.

The Company officially signed the Production Sharing Contract (PSC) extensions for the Bakrol and Lohar PSC's for a further ten years period ending 2030 with the Government of India after completing all the necessary formalities.

Our vision is to Improve value maximization by increasing realised price & production through optimising existing facilities.

We seek to realize our vision by exploring for Oil & Gas, executing to transform resources to reserves and enhancing value for all stakeholders by converting reserves to revenues.

We work closely with all stakeholders to explore, develop and produce hydrocarbons in a safe and responsible manner.

The Company has made ongoing efforts to strengthen its management team. Selan is also committed to making investments in technology and drilling as necessary. 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 and Gas sector is a high yielding sector that involves equally high risks. The Company identifies and monitors the key risks and uncertainties affecting its operations and runs the business in a way that minimizes their impact where possible. 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 economically developed.

The entire Oil and Gas value chain requires much more capital than labour to produce results, so it is termed as 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.

Exploration is inherently a risky business, with statistically only a relatively small proportion of exploration wells resulting in commercial discovery.

The hydrocarbon business is a high investment, high risk business with long gestation periods. 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 crises 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 and Gas prices as well as in the dollar value of the rupee is another factor which adds to the unpredictability of profits and is a constant threat of revenue loss in this industry.

To mitigate disruptions in production and other losses due to coronavirus, protocols and other Standard Operating Procedures (SoP's) like mandatory wearing of masks, temperature checks, social distancing and other hygiene practises are in place and are adhered to strictly. The Company undertakes operations as per international environmental standards of the Oil Industry. Environmental Impact Assessments are prepared and approvals from authorities are secured before any project is executed.

(ii) *Project Constraints*

Natural ageing of existing equipment and facilities like SRPs, tubings, pipelines, etc. and changing technologies pose a risk as aged facilities are prone to increased maintenance, increased operating costs and at times shutdown. Shortage of drilling rigs and associated oilfield services have 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 as well as high risk to urbanized areas developed around Ognaj block, it had become impossible for the Company to undertake any further operations in the block. Therefore, the Company is left with no choice but to abandon the operations and surrender 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.

As the activities of the Company are subject to various Laws and Regulations, regulatory changes may impact the operations and functioning of the Company. Risks are mitigated by proactive assessment and ensuring compliance with the applicable Rules and Regulations for the time being in force.

## 6. Opportunities and Threats

The Company identifies and monitors the key risks and uncertainties affecting its operations and runs the business in a way that minimizes their impact wherever possible.

Oil and Gas sector is among the eight core industries in India and plays a major role in influencing decision making for all the other important sections of the economy.

India's economic growth is closely related to its energy demand, therefore, the need for Oil and Gas is projected to grow more, thereby making the sector quite conducive for investment. It 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 the Government. The Government has taken a series of policy decisions to promote exploration and production of Oil and Gas and to remove obstacles to investment and incentivize Oil and Gas sector on the lines of ease of doing business. 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.

Volatility in global Oil and Gas prices pose a constant threat of revenue loss as the revenue is directly driven by the market price. Despite the risks, there is still a very real demand for energy and this sector fulfills part of that demand.

## 7. Internal Control Systems and their Adequacy

The Company maintains a comprehensive system of internal control. This comprises of management systems, organizational structures, processes and standards that are implemented to conduct our business operations. The Company has a proper and adequate system of internal control to commensurate with the size and nature of its business. These systems provide a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes, safeguarding of assets of the Company and ensuring compliance with corporate policies. The Company also conducts periodic evaluations, mainly through its Internal Audit, to determine the adequacy of its Internal Controls System.

The Company has appointed M/s V. Sankar Aiyar & Co., (FRN : 109208W), Chartered Accountant, an independent firm with expertise in internal audit. Reasonable assurance of the effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations help ensure that Selan's Corporate Governance structure is robust. 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 is a proactive methodology to control and mitigate risks and it supports the effectiveness and the integrity of every step of the process and provides continuous feedback to the 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. As part of the Company's internal control process, any transactions with related parties are approved by the Audit Committee and Board of Directors, and appropriately disclosed in the financial statements.

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 compliance with all the requirements of the Company Law and SEBI (LODR) Regulations, 2015.

#### 8. Human Resources Development / Industrial Relations

Selan understands that Human Resource refers to the talents and energies of people and respect and trust is a prerequisite for dealing with people. 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, harmony in a pleasant manner. Human Resource Development is a continuous process and building of managerial and technical competencies is an area of constant focus.

SELAN strives to ensure a caring and energised work environment, where employee engagement is high. This is sought to be achieved by empowering employees and encouraging innovation and ownership. Being a small team helps in seamless communication, where relationships amongst our employees are cohesive and team spirit is high.

SELAN values all employees for their contribution to our business. We are committed to develop and deploy people with the skills, capability and determination required to meet our business objectives. Opportunities for advancement are equal and not influenced by considerations other than performance and aptitude.

The company 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 26 employees as on 31 March 2021. 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 on the 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	2021	2020
Current Ratio	31.76x	18.06x
Average Collection Period (in days)	91	69
Inventory Turnover Ratio	10.17x	13.51x
Operating Margin (%)	(18.10%)	39.38%
Net Profit Margin (%)	12.39%	23.68%
Basic Earning Per Share	4.10	14.64
PE Ratio	32.67	4.7

- Current Ratio has increased on account of decrease in current liabilities in fiscal 2021 as compared to fiscal 2020.
- Inventory Turnover Ratio has increased due to decrease in cost of goods sold in fiscal 2021 as compared to fiscal 2020.
- Current year's profits from continuing operations (EBIT) at ₹ 911.14 Lakhs being (-18.10%) lower than previous year's ₹ 3,731.7 Lakhs due to decrease in revenue and increase in royalty and cess rates.
- Net profit after tax at ₹ 623.92 Lakhs was 12.39% lower as compared to previous year's ₹ 2,243.52 Lakhs due to decrease in revenue and increase in royalty and cess.
- Price Earning ratio is computed as share price divided by basic earnings per share. PE ratio has increased on account of increase in market price of share and decrease in Basic EPS on fiscal 2021 to fiscal 2020.

#### 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	2021	2020
Return on Net Worth	1.91%	6.87%

Return on net worth is computed as net profit by average net worth. Net Profit has decreased from ₹ 2,243.54 Lakhs to ₹ 623.91 Lakhs due to decrease in revenue and increase in royalty and cess.

# 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 the formulation of principles of Integrity, Excellence and Ethical values which have been in practice since its inception. The Company has in place processes and systems whereby the Company complies with the requirements of Corporate Governance under the Securities and Exchange Board of India (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 related to Promoter and Whole-Time Director	-	-	09	Yes
S. Bhagwati Dalal DIN : 01105028	Non-Executive and Independent Director	-	-	03	No
T. Currimbhoy* DIN : 00729714	Non – Executive and Independent Director	-	-	01	No
D. J. Corbishley* DIN : 06515723	Non – Executive and Independent Director	-	-	01	No
M. Singh DIN : 07585638	Non – Executive and Independent Director	-	-	09	Yes
R. S. Sidhu DIN : 00121906	Non – Executive and Independent Director	-	-	06	Yes

\* Foreign Directors

# including meeting(s) attended through Video Conference.

- 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 :

Sr. No.	Core skills / expertise / competencies	Name of Directors					
		D. J. Corbishley	M. Singh	R. Kapur	R.S. Sidhu	S. Bhagwati Dalal	T. Currimbhoy
1.	Vision: The Company's Directors are visionary leaders with great insight and focus. They are able to inspire the employees to emulate them and perform at optimum levels.	✓	✓	✓	✓	✓	✓
2.	Calculated Risk Factor: The Directors have the adequate risk taking ability to recognize and take calculated risk as and when required.		✓	✓	✓	✓	✓
3.	The Directors have effective leadership qualities.		✓	✓	✓		✓
4.	They are Action oriented.	✓	✓	✓	✓	✓	✓
5.	The Company has a Board with strong ethical standards.	✓	✓	✓	✓	✓	✓

• 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 nine Board Meetings held during the financial year 2020-21. The dates on which the meetings were held are 16 May 2020, 18 July 2020, 29 August 2020, 31 August 2020, 23 September 2020, 13 November 2020, 17 December 2020, 06 February 2021 and 15 February 2021. The 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 2021 are as follows:

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

Non-executive Directors do not hold any shares in the Company.

- 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)

Note : - Directorships in Foreign Body Corporates, Private Limited Companies and Associations are excluded.

- 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 2020-21 have been disclosed on the website of the Company at <http://www.selanoil.com/wp-content/uploads/2021/04/FAMILIARISATION-merged.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 five members, out of which four are Non-Executive and Independent Directors, including the Chairman. Four meetings of Audit Committee were held during the year viz. on 18 July 2020, 29 August 2020, 13 November 2020 and 06 February 2021. The composition of the Committee and details of their attendance at the meetings are as follows :

Name of Director	Number of Meetings	
	Held	Attended
M. Singh (Chairman)	4	4
D. J. Corbishley	4	0
R. Kapur	4	4
T. Currimbhoy	4	0
R. S. Sidhu	4	4

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 cover 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 once during the year on 16 May 2020. Mr. Sidhu was appointed as the chairman of the committee w.e.f. 13 November 2020. The composition of the Committee and details of their attendance at the meeting are as follows :

Name of Director	Number of Meetings	
	Held	Attended
R. S. Sidhu (Chairman)	1	1
T. Currimbhoy	1	0
R. Kapur	1	1
D.J. Corbishley	1	0
M. Singh	1	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 06 February 2021 to assess the performance of Non- Independent Directors 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 2020-21.
- 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 the Shareholders and the Central Government, where applicable. The Whole-Time Director was paid remuneration during the year as disclosed in Note no. 44 of Notes on Accounts. Details of remuneration paid to Directors for the year ended 31 March 2021 are as follows:  
(in ₹)

Name of Director	Salary, Allowances & Perquisites	Sitting Fees paid	Total
S. Bhagwati Dalal	-	200,000	200,000
D. J. Corbishley	-	50,000	50,000
T. Currimbhoy	-	50,000	50,000
M. Singh	-	800,000	800,000
R. S. Sidhu	-	650,000	650,000

#### (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 once during the year on 23 September 2020. The Stakeholder Relationship Committee comprises of four members, out of which three are Non-Executive and Independent Directors, including the Chairman of the committee. The composition of the Committee and details of their attendance at the meeting are as follows :



Name of Director	Number of Meetings	
	Held	Attended
M. Singh (Chairman)	1	1
D. J. Corbishley	1	0
R. Kapur	1	1
R. S. Sidhu	1	1

Following are the details of Complaints received during the year :

Particulars	As on 31 March 2021
No. of shareholders' complaints received	Nil
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. Deepa Bhalla  
 Designation : Company Secretary  
 E-mail Id : investors@selanoil.com

#### (d) Corporate Social Responsibility Committee

Please refer to the Annexure - B of this Report.

#### e) Investment Committee

The Board has established an Investment Committee comprising of Mr. V. Kirpal as Chairman and Mr. M. Singh, Mr. R.S. Sidhu and Mr. R. Kapur as members to review the investments undertaken by the Company. The Investment Committee met once during the year on 06 February 2021. The composition of the Committee and details of their attendance at the meeting are as follows :

Name of Director	Number of Meetings	
	Held	Attended
V. Kirpal (Chairman)	1	1
R. Kapur	1	1
M. Singh	1	1
R. S. Sidhu	1	0

#### 4. General Body Meetings

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

Year	AGM	Location	Date	Time
2017-18	AGM	Ashok Country Resort, New Delhi	12.07.2018	10:00 a.m.
2018-19	AGM	Ashok Country Resort, New Delhi	18.09.2019	10:00 a.m.
2019-20	AGM	Virtual / Video Conferencing	23.09.2020	09:30 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 : Yes

#### 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 the 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 2020 to 31 March 2021.

- Calendar for financial year 2021-22 (tentative)

Annual General Meeting	To be decided
Results for quarter ending 30 June 2021	Second week of August, 2021
Results for quarter ending 30 September 2021	Second week of November, 2021
Results for quarter ending 31 December 2021	Second week of February, 2022
Results for quarter ending 31 March 2022	Fourth week of May, 2022

- c) Dividend :

During the year 2020-21, 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 15 March 2021. This is now being put for approval of the shareholders as final dividend for the year 2020-21 at the forthcoming AGM.

- d) Details of Stock Exchanges :

Stock Exchanges	Stock Code
BSE Ltd. (BSE) 25th Floor, P.J. Towers, Dalal Street, Mumbai - 400 001	530075
National Stock Exchange of India Limited (NSE) 5th Floor, Exchange Plaza, Bandra – Kurla Complex, Bandra (E), Mumbai – 400 051	SELAN

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

e) Stock Market Data :

National Stock Exchange (NSE)				
Month	Share Price (in ₹)		Nifty	
	High	Low	High	Low
Apr 2020	93	65.10	9,889.05	8,055.80
May 2020	88.65	77.35	9,598.85	8,806.75
Jun 2020	119.00	87.35	10,553.15	9,544.35
Jul 2020	127.00	99.15	11,341.40	10,299.60
Aug 2020	138.65	100.15	11,794.25	10,882.25
Sep 2020	121.90	101.00	11,618.10	10,790.20
Oct 2020	117.00	100.45	12,025.45	11,347.05
Nov 2020	125.35	99.00	13,145.85	11,557.40
Dec 2020	153.70	117.45	14,024.85	12,962.80
Jan 2021	147.25	120.85	14,753.55	13,596.75
Feb 2021	144.00	125.25	15,431.75	13,661.75
Mar 2021	144.25	122.40	15,336.30	14,264.40

(BSE)				
Month	Share Price (in ₹)		SENSEX	
	High	Low	High	Low
Apr 2020	92.05	66.05	33,887.25	27,500.79
May 2020	88.25	77.40	32,845.48	29,968.45
Jun 2020	115.20	88.30	35,706.55	32,348.10
Jul 2020	126.00	92.50	38,617.03	34,927.20
Aug 2020	138.55	100.55	40,010.17	36,911.23
Sep 2020	122.00	101.20	39,359.51	36,495.98
Oct 2020	115.95	100.20	41,048.05	38,410.20
Nov 2020	125.00	98.30	44,825.37	39,334.92
Dec 2020	153.25	117.50	47,896.97	44,118.10
Jan 2021	147.00	121.60	50,184.01	46,160.46
Feb 2021	144.00	125.35	52,516.76	46,433.65
Mar 2021	144.35	123.10	51,821.84	48,236.35

f) During the period i.e. 01 April 2020 to 31 March 2021, Selan's stock price on NSE increased by 94.64% and by 102.80% on BSE, whereas NSE (NIFTY) increased by 71.14% and BSE (Sensex) increased by 61.68 %.

g) 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

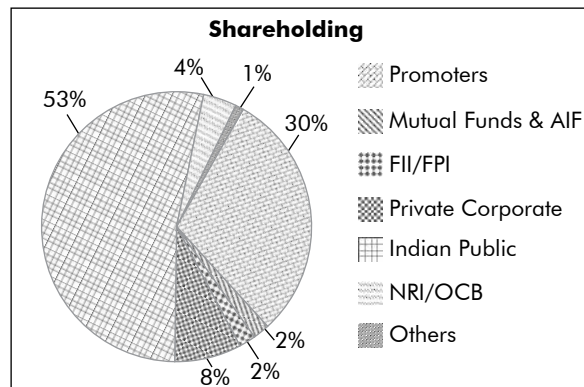
h) Share Transfer System :

Except in the case of transmission or transposition of securities, request for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository.

i) Distribution of shareholding as on 31 March 2021

Category	No. of Shares Held as on 31.03.2021	% Holding
Promoters :		
- Indian	4,487,000	29.52
- Foreign	86,846	0.57
Mutual Funds / AIF	289,618	1.91
Financial Institution / Banks	0	0.00
Foreign Institutional Investors / FPI	384,619	2.53
Private Corporate Bodies	1,234,558	8.12
Indian Public	8,029,973	52.83
Trusts and Foundations	550	0.01

Category	No. of Shares Held as on 31.03.2021	% Holding
NRIs / OCBs	556,106	3.65
NBFCs	0	0.00
IEPF	130,730	0.86
GRAND TOTAL	15,200,000	100.00



i) Dematerialization of shares:

97.50% of the outstanding shares have been dematerialized upto 31 March 2021.

k) 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.

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

m) 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.

n) Field Locations :

Bakrol and Lohar Oilfields in the State of Gujarat. The Company also has Ognaj oilfield and Karjisan oil & gasfield situated in the State of Gujarat.

o) 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. Mr. R. Kapur, the Whole-Time Director was paid remuneration during the year as disclosed in Note No. 44 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- D
- 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: ₹ 17.60 lakhs per annum.
- (l) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:
- Number of complaints filed during the financial year : Nil
  - Number of complaints disposed of during the financial year : Nil
  - 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 the 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 abovementioned Code is available on the website of the Company.

I confirm that the Company has in respect of the financial year ended 31 March 2021, 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 : 25 June 2021

R. Kapur  
Whole Time Director

#### **Auditors' Certificate on Corporate Governance**

To the Members of Selan Exploration Technology Limited

- 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 2021, as stipulated in Schedule V(C) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
- 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.
- 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with the Stock Exchanges.
- 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 : 25 June 2021

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

## Form No. MR-3

## Annexure - A

**SECRETARIAL AUDIT REPORT**

For The Financial Year Ended 31st March, 2021

[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 for the financial year ended on 31st March, 2021, 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 relevant books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021, 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 as amended from time to time 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 (Not applicable to the Company during the review period) ;
  - d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the review period);
  - 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(Not applicable to the company during the period under review);

- g. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

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. There were no changes in the composition of the Board of Directors during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in compliance with the





provision of the Act & SS-1, 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 declared an interim dividend of INR 5 per equity share of INR 10 each fully paid up (50% of Face Value) for FY 2020-21 amounting to INR 76,000,000.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to

monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

There has been no instance of:

- Public/Rights/Preferential issue of shares/debentures/sweat equity.
- Redemption/ Buy-Back of securities.
- 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: 25 June 2021

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

## BOARD'S REPORT ON CSR ACTIVITIES

### Annexure- B

#### 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](http://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 the society.

#### 2. CSR Committee :

The CSR Committee comprises of five members, out of which four are Non-Executive and Independent Directors, including the Chairman of the Committee. Only one meeting of CSR Committee was held during the year viz. on 16 May 2020. The composition of the Committee and details of their attendance at the meeting are as follows:

Sr. No.	Name of Director	Designation/ Nature of Directorship	Number of Meetings	
			Held	Attended
1.	T. Currimbhoy (Chairman)	Independent Director	1	0
2.	S. Bhagwati Dalal	Independent Director	1	1
3.	M. Singh	Independent Director	1	0
4.	R. Kapur	Whole Time Director	1	1
5.	R. S. Sidhu	Independent Director	1	0

#### 3. Following are the weblinks where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: -

- <http://www.selanoil.com/wp-content/uploads/2017/09/Board-Committees-3.pdf>
- <http://www.selanoil.com/wp-content/uploads/2017/09/CORPORATE-SOCIAL-RESPOSIBILITY-POLICY.pdf>

#### 4. Details of Impact assessment of CSR projects carried out in pursuance of sub rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable : Not Applicable

#### 5. Details of the amount available for set off in pursuance of sub rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules 2014 and amount required for set off for the financial year, if any : Not Applicable

#### 6. Average net profit of the Company as per section 135(5) : ₹ 425,113,291

7. (a) Two percent of average net profit of the company as per section 135(5) : ₹ 8,502,266  
 (b) Surplus arising out of the CSR projects or programs or activities of the previous financial years: Not Applicable  
 (c) Amount required to be set off for the financial year, if any : NIL  
 (d) Total CSR obligation for the financial year (7a+7b-7c) : ₹ 8,502,266
8. (a) CSR amount spent or unspent for the financial year: Nil  
 (b) Details of CSR amount spent against ongoing projects for the financial year : Not Applicable  
 (c) Details of CSR amount spent against other than ongoing projects for the financial year:

Sr. No.	Name of the Project or activity identified	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	Location of the Project		Amount spent for the project (in ₹)	Mode of Implementation Direct (Yes / No)	Mode of Implementation – Through Implementing Agency	
				State.	District			Name	CSR Registration Number
1.	Covid-19	Education, Livelihood, Healthcare	No	Haryana	Gurgaon	100,000	Yes	American India Foundation	NA
2.	Women development	Education and Women Empowerment	No	Maharashtra	Shankarrao Pupala Marg	500,000	Yes	Apne Aap Women's Collective	NA
3.	Covid-19	Education, Promoting Health care	No	New Delhi	New Friends Conlony	100,000	Yes	Atma Shakti	NA
4.	Covid-19	Education, Promoting Health care	No	New Delhi	Greater Kailash	100,000	Yes	Bedi Foundation	NA
5.	Women Empowerment	Educational and Developmental Activities	No	Madhya Pradesh	Hoshangabad	200,000	Yes	Bhausahab Bhuskute Smriti Public Trust	NA
6.	Trees at Gandhinagar	Environmental Sustainability	Yes	Gujarat	Chandkedha	206,000	Yes	Catch Foundation	NA
7.	Education	Education	No	J&K	Athwajan	10,000,00	Yes	D P Dhar - Trust	NA
8.	Child Welfare	Welfare of backward classes	No	New Delhi	Civil Lines	200,000	Yes	Delhi Council For Child Welfare	NA
9.	Amritsar-food for migrants	Hunger Eradication	No	Punjab	Amritsar	200,000	Yes	Dera Kar Sewa	NA
10.	Protection of environment	Welfare of underprivileged people and protection of environment	No	Haryana	Gurgaon	100,000	Yes	Earth Saviour Foundation	NA
11.	Medical Treatment	Healthcare	No	Haryana	Gurgaon	100,000	Yes	Genesis Foundation	NA
12.	Cleanliness	Environmental Sustainability	No	West Bengal	Kolkata	100,000	Yes	GFI Clean Road	NA
13.	Covid-19	Environmental Sustainability	No	Haryana	Gurgaon	600,000	Yes	I am Gurgaon	NA
14.	Education and Women Empowerment	Education and Women Empowerment	No	Haryana	Gurgaon	500,000	Yes	IIMPACT	NA
15.	Food and Medical Supplies	Healthcare	No	New Delhi	Rohini	500,000	Yes	i PARTNER INDIA	NA
16.	Food for Hunger	Hunger Eradication	No	Haryana	Gurgaon	250,000	Yes	ISCON	NA
17.	Rain water Harvesting	Rain Water Harvesting	No	West Bengal	Mallarapur	200,000	Yes	Mallarapur Uthnau	NA
18.	Hunger Eradication	Hunger Eradication	No	J&K	Katra	100,000	Yes	Shri Mata Vaishno Devi Shrine Board	NA
19.	Empowering Women	Women Empowerment	No	Jalandhar	Bhargav camp	100,000	Yes	Nari Niketan Trust	NA
20.	Health Care and Women Empowerment	Health Care and Women Empowerment	No	Delhi	Defence Colony	100,000	Yes	New Arya Samaj	NA



Sr. No.	Name of the Project or activity identified	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	Location of the Project		Amount spent for the project (in ₹)	Mode of Implementation Direct (Yes / No)	Mode of Implementation – Through Implementing Agency	
				State.	District			Name	CSR Registration Number
21.	Institution that nurtures, mentors, trains and teaches deaf children	Promoting Education, including special education	No	Uttar Pradesh	Noida	50,000	Yes	Noida Deaf Society	NA
22.	Covid-19 Food	Hunger eradication	No	Haryana	Gurgoan	100,000	Yes	Rassoi on Wheels	NA
23.	Working for school children	Welfare of underprivileged people	No	Delhi	Paharganj	500,000	Yes	Salaam Balak Trust (working for street children)	NA
24.	Promoting Education	Promoting Education	Yes	Gujarat	Palanpur	1,000,000	Yes	Seventilal - Trust	NA
25.	Art, HealthCare	Art & Culture	No	Maharashtra	Shion East, Mumbai	500,000	Yes	Shanmugananda Trust	NA
26.	Education	Promoting Education	No	New Delhi	Gharoli	500,000	Yes	The Anglo Scottish Education Society	NA
27.	Women Empowerment	Education and Healthcare	No	New Delhi	Inderpuri	200,000	Yes	The Kalgidhar Society	NA
28.	Food	Hunger Eradication	No	Andhra Pradesh	Tirupati	100,000	Yes	Tirumala Tirupati Devasthanams	NA
29.	Women Empowerment	Nation Development	No	Uttar Pradesh	Lucknow	300,000	Yes	Urja Project	NA
	Total					8,506,000			

- (d) Amount spent in Administrative Overheads : NIL
- (e) Amount spent on Impact Assessment, if applicable : Not Applicable
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e) : ₹ 8,506,000
- (g) Excess amount for set off, if any :

Sr.No	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	8,502,266
(ii)	Total amount spent for the Financial Year	8,506,000
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	3,734
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any.	NIL
(v)	Amount Available for set off in succeeding financial years [(iii)-(iv)]	3,734

9. (a) Details of Unspent CSR amount for the preceding three financial years: NIL
- (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable
10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year :
- (a) Date of creation or acquisition of the capital asset(s): Not Applicable
- (b) Amount of CSR spent for creation or acquisition of capital asset: Not Applicable
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).  
Not Applicable - Since full amount was spent during the year.

Place : New Delhi  
Date: 25 June 2021

T. Currimbhoy  
Chairman CSR Committee  
DIN : 00729714

M. Singh  
Director  
DIN : 07585638

**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 2020-21, 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 2020-21 :**

Sr. No.	Name of Director / KMP	Designation	Remuneration of Director/ KMP for FY 2020-21 (Rs. In Lakhs)	Percentage increase in Remuneration in the Financial Year 2020-21	Ratio of remuneration of each Director/KMP to median remuneration of employees
1	S. B. Dalal (a)	Independent Director	-	-	-
2	T. Currimbhoy (a)	Independent Director	-	-	-
3	D. J. Corbishley (a)	Independent Director	-	-	-
4	M. Singh (a)	Independent Director	-	-	-
5	R. S. Sidhu (a)	Independent Director	-	-	-
6	R. Kapur	Whole -time Director	120	(40.00%)	13.7112
7	Vijay Kirpal	CFO	7.2	-	0.8227
8	Deepa Bhalla (b)	CS	6.49	-	0.7424

(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) *Appointed as CS w.e.f. 16.05.2020*

- (ii) **Other details:**

Permanent employees on the rolls of the Company as on 31 March 2021 : 26

Percentage increase in the median remuneration of employees (excluding Whole- time Director) during Financial Year 2020-21 : 8.10%

- (iii) The average percentage increase/decrease made in the salaries of employees (other than the managerial personnel) was (41.80)% while increase/decrease in the managerial remuneration was (42.11)%. The increase/decrease in salaries during the year are based on the Remuneration Policy of the Company and on the 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.

On behalf of the Board of Directors

Place : New Delhi  
Date : 25 June 2021

R. Kapur  
Chairman  
DIN: 00017172

M. Singh  
Director  
DIN: 07585638

**Annexure- D**

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

**(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To,  
The Members of  
SELAN EXPLORATION TECHNOLOGY LIMITED

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, DL - 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) 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 ended 31st March 2021 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 by any other such Statutory Authority.

S. No.	Name of the Director	DIN	Date of appointment in the Company
1.	Mr. Rohit Kapur	00017172	24/09/1988
2.	Mr. Raman Singh Sidhu	00121906	18/08/2017
3.	Mr. Tarik Currimbhoy	00729714	28/06/1995
4.	Ms. Sonali Bhagwati Dalal	01105028	26/12/2016
5.	Mr. Derek James Corbishley	06515723	16/02/2013
6.	Mr. Manjit Singh	07585638	10/08/2016

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: 25 June 2021  
Place: New Delhi

Nityanand Singh (Prop.)  
FCS No.: 2668/ CP 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 2021, 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 relevant rules issued thereunder and other accounting principles generally accepted in India:

- of the state of affairs of the Company as at 31 March 2021;
- of the profit (including Other Comprehensive Income) for the year ended on that date;
- of the changes in equity for the year ended on that date; and
- 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.

<b>Key Audit Matter</b>
<p><b>Capitalization of Property, plant and equipment</b></p> <p>We identified capitalization of Property, plant and equipment as a key audit matter because there is a risk that amounts being capitalized may not meet the capitalization criteria with related implications on depreciation charge for the year.</p> <p>(Refer Note No. 5 to the Financial Statements)</p>

### Auditors' Response

#### Principal Audit Procedures

Our audit procedures amongst others included the following:

- We obtained an understanding and tested the design implementation and operating effectiveness of management's key internal control over capital expenditure.
- We also performed procedures to address the risk of error in accounting records and the ability to override controls.
- We compared on sample basis the costs incurred on Property, plant and equipment with supporting documentation and contracts.
- We assessed the nature of costs incurred for the Property, plant and equipment for appropriateness by comparing on sample basis amounts recorded with underlying documentation and considering that the expenditure meets the criteria for capitalization as per the applicable accounting standards.
- We checked supporting documents for the date of capitalization when Property, plant and equipment were ready for its intended use to assess that depreciation commenced and further capitalization of costs ceased from the date the assets were put to use and verified the related depreciation thereto.
- The accounting records were checked for arithmetical accuracy.

We consider that the capitalization of Property, plant and equipment are reasonable and adequate.

### 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 relevant rules issued thereunder.

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

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

- Identify and assess the risks of material misstatement of Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we

conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

#### **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 2021 and taken on record by the Board of Directors, none of the Directors is disqualified



as on 31 March 2021 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: 25 June 2021

**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 2021.**

- (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 2021 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 remained unpaid as on 31 March 2021.
- (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 : 25 June 2021





## **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 2021.**

### **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 2021 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 2021, 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 : 25 June 2021

## BALANCE SHEET AS AT 31 MARCH 2021

(₹ in lakhs)

Particulars	Note No.	31 March 2021	31 March 2020
<b>I ASSETS</b>			
<b>(1) Non-current assets</b>			
Property, plant and equipment	5		
- Tangible assets		701.78	837.76
Development of hydrocarbon properties	7	16,343.66	17,914.07
Capital work-in-progress	6	103.77	131.64
Right of use assets	8	65.00	90.34
Intangible assets	5	-	9.23
Financial assets			
- Other financial assets	9	124.48	43.31
Other non-current assets	10	9.58	24.66
		<b>17,348.27</b>	<b>19,051.01</b>
<b>(2) Current assets</b>			
Inventories	11	669.47	738.68
Financial assets			
- Investment	12	12,927.59	12,682.42
- Trade receivables	13	1,250.51	1,752.98
- Cash and cash equivalents	14	3,545.04	941.04
- Other bank balances	15	1,202.87	3,630.82
- Other financial assets	16	280.82	257.30
Current tax asset (net)		120.15	-
Other current assets	17	220.38	251.66
		<b>20,216.83</b>	<b>20,254.90</b>
<b>Total assets</b>		<b>37,565.10</b>	<b>39,305.91</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>(1) Equity</b>			
Equity share capital	18	1,520.00	1,520.00
Other equity	19	31,121.41	31,256.06
		<b>32,641.41</b>	<b>32,776.06</b>
<b>(2) Liabilities</b>			
Non-current liabilities			
Financial liabilities			
- Borrowings	20	-	21.82
- Lease liabilities		43.06	70.00
Provisions	21	32.16	38.82
Deferred tax liabilities (net)	22	4,211.97	5,277.88
		<b>4,287.19</b>	<b>5,408.52</b>
<b>Current liabilities</b>			
Financial liabilities			
- Trade payables	23	244.17	519.97
- Lease liabilities		26.95	23.33
- Other financial liabilities	24	147.27	336.05
Other current liabilities	25	212.11	171.34
Provisions	26	6.00	9.97
Current tax liabilities (net)		-	60.67
		<b>636.50</b>	<b>1,121.33</b>
<b>Total equity and liabilities</b>		<b>37,565.10</b>	<b>39,305.91</b>
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**  
FRN: 010860N

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

Place: New Delhi  
Date: 25 June 2021

**DEEPA BHALLA**  
COMPANY  
SECRETARY

**VIJAY KIRPAL**  
CHIEF FINANCIAL  
OFFICER

**M. SINGH**  
DIRECTOR  
DIN : 07585638

**R. KAPUR**  
CHAIRMAN  
DIN : 00017172



# STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31 MARCH 2021

(₹ in lakhs)

Particulars	Note No.	2020-2021	2019-2020
<b>A INCOME</b>			
Revenue from operations	27	4,881.98	8,959.76
Other income	28	942.65	916.38
<b>Total income (A)</b>		<b>5,824.63</b>	<b>9,876.14</b>
<b>B EXPENSES</b>			
a) Operating expenses	29	818.68	971.85
b) Handling and processing charges		234.74	267.78
c) Changes in inventories of finished goods	30	7.00	3.45
d) Employee benefits expense	31	442.91	589.81
e) Royalty and Cess		1,536.52	564.87
f) Development of hydrocarbon properties	33	392.18	1,196.80
g) Other expenses	34	680.14	1,113.05
		<b>4,112.17</b>	<b>4,707.61</b>
h) Transfer to: Development of hydrocarbon properties	33	(392.18)	(1,196.80)
<b>Total (a to h)</b>		<b>3,719.99</b>	<b>3,510.81</b>
<b>C Earnings before interest, tax, depreciation and amortisation (EBITDA)</b>		<b>2,104.64</b>	<b>6,365.33</b>
Finance costs	32	12.83	17.03
Development of hydrocarbon properties amortised	7	1,962.59	1,906.22
Depreciation and amortisation expenses	5 & 8	251.62	315.32
Impairment of hydrocarbon properties (DHP)	7	-	900.00
<b>D Profit / (Loss) before taxation</b>		<b>(122.40)</b>	<b>3,226.76</b>
Less: Tax expense	35		
Current tax		319.60	1,494.83
Taxes relating to earlier years		-	-
Deferred tax		(1,065.91)	(511.61)
		<b>(746.31)</b>	<b>983.22</b>
<b>E Profit for the year after tax</b>		<b>623.91</b>	<b>2,243.54</b>
<b>F Other comprehensive income</b>	36		
A. Items that will not be reclassified to profit or loss (net of taxes)		1.44	23.60
B. Items that will be reclassified to profit or loss (net of taxes)		-	-
<b>Other comprehensive income/ (loss) for the year (net of taxes)</b>		<b>1.44</b>	<b>23.60</b>
<b>G Total comprehensive income for the year, net of tax</b>		<b>625.35</b>	<b>2,267.14</b>
<b>H Earning per Equity share of ₹ 10 each</b>	37		
- Basic (in ₹)		4.10	14.64
- Diluted (in ₹)		4.10	14.64
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  
FRN: 010860N

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

**DEEPA BHALLA**  
COMPANY  
SECRETARY

**VIJAY KIRPAL**  
CHIEF FINANCIAL  
OFFICER

**M. SINGH**  
DIRECTOR  
DIN : 07585638

**R. KAPUR**  
CHAIRMAN  
DIN : 00017172

Place: New Delhi  
Date: 25 June 2021

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

(₹ in lakhs)

Particulars	2020-2021	2019-2020
<b>A. Cash flow from Operating activities :-</b>		
Net Profit / (Loss) before taxation	(122.40)	3,226.76
Add :		
Depreciation for the year	251.62	315.32
Other comprehensive income	1.44	23.60
Amortisation of DHP	1,962.59	1,906.22
Impairment of DHP	-	900.00
Interest on borrowings	2.03	5.75
Interest - Lease liabilities	9.46	8.15
	<b>2,227.14</b>	<b>3,159.04</b>
Less:		
Interest income	(293.16)	(87.30)
(Profit) / Loss on change in fair value of Investments through FVTPL	(237.75)	585.54
(Profit) / Loss on sale / write-off of property, plant and equipment	(8.35)	89.52
	<b>(539.28)</b>	<b>587.76</b>
<b>Operating profit before changes in assets and liabilities</b>	<b>1,565.46</b>	<b>6,973.56</b>
Adjustment for changes in assets and liabilities		
(Increase) / Decrease in inventories	69.21	71.86
(Increase) / Decrease in trade receivables	502.47	93.39
(Increase) / Decrease in financial assets	2,324.42	(2,210.32)
(Increase) / Decrease in prepaid rent / interest expense	1.34	(4.81)
(Increase) / Decrease in other current assets	31.03	(41.75)
(Increase) / Decrease in tax asset	(120.15)	-
Increase / (Decrease) in trade payable	(275.80)	257.41
Increase / (Decrease) in financial liabilities	(188.76)	146.93
Increase / (Decrease) in provisions	(10.62)	(24.00)
Increase / (Decrease) in current tax liabilities	(60.67)	19.68
Increase / (Decrease) in other current liabilities	40.77	8.74
	2,313.24	(1,682.87)
Cash generated from operations	3,878.70	5,290.69
Less: Income Tax	319.11	1,183.34
<b>Net cash from Operating activities (A)</b>	<b>3,559.59</b>	<b>4,107.35</b>
<b>B. Cash flow from Investing activities :-</b>		
Purchase of property, plant & equipment and intangible assets (including CWIP & capital advances)	(73.99)	(112.59)
Additions to DHP	(392.18)	(1,196.80)
Net (Purchase) / sales of current investments	(7.42)	(11.46)
Sale of property, plant & equipment	8.13	3.84
Interest income received	293.16	87.30
<b>Net cash generated / (used) in Investing activities (B)</b>	<b>(172.29)</b>	<b>(1,229.71)</b>
<b>C. Cash flow from Financing activities :-</b>		
Increase / Decrease in :		
Long term borrowings taken / (paid)(Net)	-	(12.80)
Dividend paid (Including DDT)	(760)	(916.22)
Interest paid on borrowings	-	(5.75)
Share capital buyback	-	(63.00)
Premium on buyback of equity shares	-	(1,064.11)
Expenses on buyback of equity shares	-	(28.61)
Payment of lease liabilities	(23.31)	(21.93)
<b>Net cash generated / (used) in Financing activities (C)</b>	<b>(783.31)</b>	<b>(2,112.42)</b>
<b>Net change in cash and cash equivalents (A+B+C)</b>	<b>2,603.99</b>	<b>765.22</b>
<b>Balance at the beginning of the year</b>	<b>941.04</b>	<b>175.82</b>
<b>Balance at the end of the year</b>	<b>3,545.03</b>	<b>941.04</b>
<b>Net change in cash and cash equivalents</b>	<b>2,603.99</b>	<b>765.22</b>

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'.

Note: Previous year figures have been re-arranged / re-grouped where ever necessary.

**For J. A. Martins & Co.**  
**Chartered Accountants**  
 FRN: 010860N

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

Place: New Delhi  
 Date: 25 June 2021

**DEEPA BHALLA**  
 COMPANY  
 SECRETARY

**VIJAY KIRPAL**  
 CHIEF FINANCIAL  
 OFFICER

**M. SINGH**  
 DIRECTOR  
 DIN : 07585638

**R. KAPUR**  
 CHAIRMAN  
 DIN : 00017172



# NOTES ON ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

## 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, 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, Lohar, Ognaj and Karjisan fields. The Production Sharing Contract (PSC) for Indrora field expired on 12 March 2020 and the field was handed over to ONGC on expiry of PSC.

## 2. Authorization of Financial Statements

The financial statements of the Company for the year ended 31 March 2021 were authorised for issue in accordance with a resolution of the Board of Directors approved on 25 June 2021.

## 3. Significant Accounting Policies

### 3.1 Statement of Compliance

The Financial Statements for the year ended 31 March 2021 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:

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

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

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/dropped 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 a straight line basis over the remaining / extended lease period based, as considered appropriate by the Management, as this method most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset and this method is applied consistently from period to period.

The Company has been granted extension of ten years upto 12 March 2030 to the Production Sharing Contract (PSC) with respect to the Bakrol and Lohar Oilfields under the extant policy of the Government of India dated 28 March 2016. The Production Sharing Contract (PSC) for Indrora field expired on 12 March 2020 and the field was handed over to ONGC on expiry of PSC. The Company's PSC contracts for Karjisan and Ognaj Oilfields are valid upto 22 November 2030 and 4 August 2033 respectively. However, the Company is in the process of surrendering the Ognaj oilfield due to the rapid urbanisation in the block area.

### 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

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. The Company has used the following practical expedients: (i) Applying a single discount rate to a portfolio of leases with similar remaining lease term. (ii) Not applying the transition requirements to leases for which the lease term ends within 12 months of the date of initial application i.e. April 01, 2019 and for low value leases. (iii) Not applying this Standard to contracts that were not previously identified to contain a lease element under erstwhile Ind AS 17.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. The lease liability is initially measured at amortized cost at the present value of the future lease payments.

The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

#### Company as a Lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset

arising from the head lease. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

(Refer to note no. 48)

### 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 absences. The cost of providing benefits are determined on the basis of actuarial valuation at each year end. Separate actuarial 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 actuarial valuation at each year-end. Actuarial valuation is carried out for the plan using the projected unit credit method.

### 3.16 Foreign Currency 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 exchange 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 Dollars / 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 shareholders (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 shareholders 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 certainty 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 measured 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 increase 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) Offsetting 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, Lohar and Karjisan Oilfields ends in 2030. At expiry of the Lease period, the Company's Management expects to handover the aforementioned Oil Wells in working condition to new operator(s), assuming the leases are not extended in favour of the Company. The company is in the process of surrendering the Ognaj Oilfield at the present time, which is not in production. This is similar to the manner in which the Indrora oilfield was handed over to ONGC during the year FY 2019-20.

In view of the above, Management believes that the Company would not be required to abandon these fields, with any corresponding abandonment costs. Hence the Company does not recognize any provision for Decommissioning / Site Restoration. However, as per the decisions taken at Management Committee Meeting (MCM) with Directorate General of Hydrocarbons (DGH), the Company creates earmarked funds, each year, in the form of Bank Deposits, towards Site Restoration Fund which is determined on the basis of Production to Reserve ratio. The said deposits are shown as under the Other Bank balances as "Under Lien to Government of India / State Government – For Site Restoration Fund Account".

Management believes that this treatment provides a more prudent and faithful view of Financial Statements and reflects the economic substance of the transactions, other events and conditions, and not merely the legal form.

### 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 valuation. 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 financial 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 Development 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.

#### 4.7 Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

**NOTE 5 - Property, Plant & Equipment (PPE) and Intangible Assets**

(₹ in Lakhs)

Cost or Value	Tangible assets								Intangible assets	Grand Total
	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Computers	Electrical Fittings	Buildings	Total Tangible Assets	Computer Software	Total Assets
<b>Gross Block</b>										
As on 01.04.2020	1,238.81	14.35	174.59	31.49	19.83	129.23	55.32	1,663.62	112.49	1,776.11
Additions	88.05	-	9.90	1.28	0.58	9.02	7.03	115.86	-	115.86
Disposals/deletions	-	-	54.91	5.04	0.20	-	-	60.15	-	60.15
Other adjustments	-	-	-	-	-	-	-	-	-	-
Exchange difference	-	-	-	-	-	-	-	-	-	-
Borrowing cost	-	-	-	-	-	-	-	-	-	-
<b>As on 31.03.2021</b>	<b>1326.86</b>	<b>14.35</b>	<b>129.58</b>	<b>27.73</b>	<b>20.21</b>	<b>138.25</b>	<b>62.35</b>	<b>1719.33</b>	<b>112.49</b>	<b>1831.82</b>

**Depreciation / Amortisation**

As on 01.04.2020	638.48	4.63	69.76	17.32	15.05	44.74	35.88	825.86	103.26	929.12
Charge for the year	164.56	1.55	18.64	4.71	2.79	14.64	10.16	217.05	9.23	226.28
Disposal/ Deletions	-	-	20.34	4.82	0.20	-	-	25.36	-	25.36
Other Adjustments	-	-	-	-	-	-	-	-	-	-
<b>As on 31.03.2021</b>	<b>803.04</b>	<b>6.18</b>	<b>68.06</b>	<b>17.21</b>	<b>17.64</b>	<b>59.38</b>	<b>46.04</b>	<b>1,017.55</b>	<b>112.49</b>	<b>1,130.04</b>

**Impairment loss**

As on 01.04.2020	-	-	-	-	-	-	-	-	-	-
For the year	-	-	-	-	-	-	-	-	-	-
<b>As on 31.03.2021</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Net block (Gross value-depreciation-impairment loss)**

As on 31.03.2020	600.33	9.72	104.83	14.17	4.78	84.49	19.44	837.76	9.23	846.99
<b>As on 31.03.2021</b>	<b>523.82</b>	<b>8.17</b>	<b>61.52</b>	<b>10.52</b>	<b>2.57</b>	<b>78.87</b>	<b>16.31</b>	<b>701.78</b>	<b>-</b>	<b>701.78</b>

The Company has availed the deemed cost exemption in relation to the property, plant and equipment and intangible assets 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 2021	31 March 2020
<b>6. Capital work-in-progress</b>		103.77	131.64
Total		<b>103.77</b>	<b>131.64</b>
<b>7. Development of hydrocarbon properties (DHP)</b>			
Balance as per last financial statements		17,914.07	19,523.49
Additions during the year		392.18	1,196.80
		<b>18,306.25</b>	<b>20,720.29</b>
Less: Amortised during the year		1,962.59	1,906.22
		16,343.66	18,814.07
Less: Impairment of hydrocarbon properties (DHP)		-	900.00
Closing balance		<b>16,343.66</b>	<b>17,914.07</b>
<b>8. Right of use assets</b>			
Opening balance		107.12	107.12
Addition during the year		-	-
<b>Sub-Total</b>		<b>107.12</b>	<b>107.12</b>
Less : Depreciation / Amortisation			
Opening balance		16.78	-
Depreciation / Amortisation during the year		25.34	16.78
<b>Closing balance</b>		<b>65.00</b>	<b>90.34</b>
<b>9. Non-current financial assets- others</b>			
(Unsecured, considered good, unless otherwise stated)			
Security deposits			
- With government departments		22.78	20.90
- Others		20.05	13.49
Term deposits with bank		81.65	8.92
<b>Total</b>		<b>124.48</b>	<b>43.31</b>



(₹ in Lakhs)

Particulars	31 March 2021	31 March 2020
<b>10. Other Non Current Assets</b>		
(Unsecured, considered good, unless otherwise stated)		
Capital advances	1.46	15.45
Prepaid rent / interest expense	8.12	9.21
<b>Total</b>	<b>9.58</b>	<b>24.66</b>
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.		
<b>11. Inventories (refer note no. 3.5 for mode of valuation)</b>		
Stores and components relating to hydrocarbon properties	336.79	545.56
Stores, spares and consumables	172.68	26.12
Stock of crude oil	160.00	167.00
<b>Total</b>	<b>669.47</b>	<b>738.68</b>

Particulars	No. of Units		(₹ In Lakhs)	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
<b>12. Current financial assets - investments</b>				
In Mutual Funds- Quoted				
(Carried at fair value through profit & loss)				
- Kotak Equity Arbitrage Fund - Monthly Dividend (Regular Plan)	-	1,85,40,733.18	-	3,187.31
- SBI Magnum Ultra Short Duration Fund - Growth	-	5,161.447	-	229.59
- Aditya Birla Sun Life Floating Rate Fund	-	93,383.848	-	231.76
- HDFC Arbitrage - Wholesale Plan - Growth	83,29,548.205	-	1,997.18	-
- ICICI Prudential Equity Arbitrage Fund - Growth	1,38,01,110.061	-	3,698.73	-
- Kotak Equity Arbitrage Fund - Growth (Regular Plan)	1,78,10,570.123	1,12,37,416.72	5,174.54	3,151.85
- HDFC Liquid Fund	1,461.962	11,051.565	58.74	429.20
- ICICI Prudential Equity Arbitrage Fund - Dividend	-	2,94,16,406.03	-	4,022.31
- IDFC Arbitrage Fund - Growth - (Regular Plan)	78,44,424.783	57,96,618.029	1,998.40	1,430.40
			<b>12,927.59</b>	<b>12,682.42</b>
Quoted Investments				
Book value of quoted investments			12,493.59	12,486.19
Market value of quoted investments			12,927.59	12,682.42
<b>13. Current financial assets-trade receivables</b>				
(a) Secured (considered good)			-	-
(b) Unsecured (considered good)				
(i) Others			1,250.51	1,752.98
(ii) Related parties *				
(c) Unsecured, considered doubtful			-	-
			<b>1,250.51</b>	<b>1,752.98</b>
Less:- Provision for doubtful debts			-	-
<b>Total (net of provision)</b>			<b>1,250.51</b>	<b>1,752.98</b>

\*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	31 March 2021	31 March 2020
<b>14. Current financial assets-cash &amp; cash equivalents</b>		
Balance with banks		
In current accounts	104.10	134.71
In term deposits with banks	3,437.90	800.00
Cash on hand	3.04	6.33
<b>Total</b>	<b>3,545.04</b>	<b>941.04</b>

(₹ In Lakhs)

Particulars	31 March 2021	31 March 2020
<b>15. Current financial assets-other bank balances</b>		
Balance with banks:		
In unpaid dividend account	161.98	128.19
In fractional bonus account	-	-
In term deposits with banks	610.17	3,333.55
Under lien	-	-
Bank Guarantee to GOI / State Government	323.70	80.50
For site restoration fund account *	75.94	70.83
Total term deposit	<b>1,009.81</b>	<b>3,484.88</b>
Interest accrued on term deposit	31.08	17.75
<b>Total</b>	<b>1,202.87</b>	<b>3,630.82</b>

\* 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'.

<b>16. Current financial assets- others</b>		
Recoverable from others	280.82	257.30
<b>Total</b>	<b>280.82</b>	<b>257.30</b>

<b>17. Other current assets</b>		
(Unsecured, considered good, unless otherwise stated)		
Advance to vendors	145.76	125.38
Prepaid expenses	71.61	81.30
Prepaid rent/interest expense	1.08	1.33
Other advances recoverable in kind	1.93	43.65
<b>Total</b>	<b>220.38</b>	<b>251.66</b>

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.

<b>18. Equity share capital</b>		
<b>Authorised share capital</b>		
2,90,00,000 (previous year 2,90,00,000) Equity shares of ₹ 10/- each	2,900.00	2,900.00
1,00,00,000 (previous year 1,00,00,000) Preference shares of ₹ 100/- each	100.00	100.00
<b>Total</b>	<b>3,000.00</b>	<b>3,000.00</b>
<b>Issued, subscribed and fully paid equity capital</b>		
1,52,00,000 Equity shares (previous year 1,52,00,000) of ₹ 10/- each	1,520.00	1,520.00
<b>Total</b>	<b>1,520.00</b>	<b>1,520.00</b>

<b>a) Reconciliation of the number of Equity shares</b>		
At the beginning of the period (No. of Equity Shares)	1,52,00,000	1,58,30,000
Shares bought back and extinguished during the year (No. of Equity shares)	-	(6,30,000)
Shares bought back and pending for extinguishment (No. of Equity shares)	-	-
<b>Outstanding at the end of the year (No. of Equity Shares)</b>	<b>1,52,00,000</b>	<b>1,52,00,000</b>

<b>b) Rights, preferences and restrictions attached to Equity Shares</b>	
- 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 2021		31 March 2020	
	No. of share held	% of Holding	No. of share held	% of Holding
Mrs. R. Kapur	17,80,000	11.71%	17,80,000	11.71%
Winton Roavic LLP	15,01,000	9.88%	15,01,000	9.88%
Mrs. Raj Kapur	12,06,000	7.93%	12,06,000	7.93%

**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 2021	31 March 2020
Number of equity shares allotted as fully paid bonus shares by capitalisation of Securities premium account	-	-
Number of equity shares bought back by the Company	12,00,000	5,70,000

**19. STATEMENT OF CHANGES IN EQUITY AS ON 31 MARCH 2021**

**A. Share capital**

Particulars	Balance at		Changes during the year	Balance at 31 March 2021
	1 April 2020	1,520.00		
Equity share capital	1,520.00	-	-	1,520.00

**B. Other equity**

Particulars	Reserves & Surplus		FCM/ITDA	Retained Earnings	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										
<b>Balance as at 1 April 2019</b>	5,770.54	-	94.05	544.43	-	-	-	-	-	-	-	30,997.86
Profit for the year	-	-	-	2,243.54	-	-	-	-	-	-	-	2,243.54
Other comprehensive income for the year	-	-	-	23.60	-	-	-	-	-	-	-	23.60
Dividends	-	-	-	(760.00)	-	-	-	-	-	-	-	(760.00)
Corporate dividend tax on above	-	-	-	(156.22)	-	-	-	-	-	-	-	(156.22)
Buyback Premium	-	-	-	(1,064.11)	-	-	-	-	-	-	-	(1,064.11)
Buyback Expenses	-	-	-	(28.61)	-	-	-	-	-	-	-	(28.61)
Transfer to Capital Redemption Reserve	-	-	-	63.00	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-
Any other change (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance at 31 March 2020</b>	<b>5,770.54</b>	-	<b>94.05</b>	<b>607.43</b>	-	-	-	-	-	-	-	<b>31,256.06</b>
Profit for the year	-	-	-	623.91	-	-	-	-	-	-	-	623.91
Other comprehensive income for the year	-	-	-	1.44	-	-	-	-	-	-	-	1.44
Dividends	-	-	-	(760.00)	-	-	-	-	-	-	-	(760.00)
Corporate dividend tax on above	-	-	-	-	-	-	-	-	-	-	-	-
Buyback Premium	-	-	-	-	-	-	-	-	-	-	-	-
Buyback Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to Capital Redemption Reserve	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-
Any other change (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance at 31 March 2021</b>	<b>5,770.54</b>	-	<b>94.05</b>	<b>607.43</b>	-	-	-	-	-	-	-	<b>31,121.41</b>

**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**

Securities 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 actuarial gain/ (loss) on measurement of defined benefit liability (Gratuity).



(₹ In Lakhs)

Particulars	31 March 2021	31 March 2020
<b>20. Non current financial liabilities-borrowings</b>		
Secured loan		
From others *	-	51.58
	-	51.58
Less:- Current maturities of non current borrowings (refer note no. 24)	-	29.76
<b>Total</b>	<b>-</b>	<b>21.82</b>
* Vehicle loan by way of hypothecation of respective vehicle.		
<b>21. Non current provisions</b>		
Provision for employee benefits (refer note no.45)		
Gratuity (funded)	25.06	33.13
Leave encashment (unfunded)	7.10	5.69
<b>Total</b>	<b>32.16</b>	<b>38.82</b>
<b>22. Deferred tax liabilities / (assets)</b>		
Deferred tax liabilities provided during the year (net)	4,211.97	5,277.88
MAT credit entitlement	-	-
<b>Deferred tax liabilities (net)</b>	<b>4,211.97</b>	<b>5,277.88</b>
<b>Reconciliation of deferred tax liabilities / (assets) net</b>		
Balance at the beginning of the year	5,277.88	5,478.00
Tax (benefit) / expenses during the period recognized in profit or loss	(1,065.91)	(511.61)
MAT credit entitlement used	-	311.49
<b>Balance at the end of the year</b>	<b>4,211.97</b>	<b>5,277.88</b>
<b>23. Current financial liabilities- trade payable</b>		
Due to micro and small enterprises (refer note no. 57)	-	-
Due to others	244.17	519.97
<b>Total</b>	<b>244.17</b>	<b>519.97</b>
<b>24. Current financial liabilities-others</b>		
Current maturities of long-term debt (refer note no. 20)	-	29.76
Interest accrued but not due on Loan	-	0.43
Unpaid dividends #	106.68	128.35
Profit petroleum payable to Government of India	2.07	172.99
Remuneration payable to whole time director	36.00	2.00
Retention money / security deposits	2.52	2.52
	<b>147.27</b>	<b>336.05</b>
# This does not include any amount due and outstanding, to be credited to the Investor Education and Protection Fund.		
<b>25. Other current liabilities</b>		
Advance from customers and others	0.24	18.39
Statutory dues	211.87	152.95
<b>Total</b>	<b>212.11</b>	<b>171.34</b>
<b>26. Current provisions</b>		
Provision for employee benefits (refer note no. 45)		
Gratuity (funded)	4.71	7.09
Leave encashment (unfunded)	1.29	2.88
<b>Total</b>	<b>6.00</b>	<b>9.97</b>





(₹ In Lakhs)

Particulars	2020-2021	2019-2020
<b>27. Revenue from operations</b> <b>(Refer note no. 3.13 on revenue recognition)</b>		
<b>Sale of products</b>		
Crude oil	3,987.74	8,330.87
Less: Profit petroleum paid to Gol	(151.85)	(515.57)
	<b>3,835.89</b>	<b>7,815.30</b>
Natural gas	1,046.09	1,144.46
	<b>4,881.98</b>	<b>8,959.76</b>
<b>28. Other income</b>		
Gain on financial assets	599.95	876.00
Interest income on term deposits	306.49	28.86
Miscellaneous income	35.07	9.24
Interest income - fair valuation of security deposits	1.14	2.28
	<b>942.65</b>	<b>916.38</b>
<b>29. Operating expenses</b>		
Payment to contractor for services	236.95	290.20
Transportation	127.97	227.17
Generator hire charges	70.70	218.92
Other direct operative expenses	383.06	235.56
	<b>818.68</b>	<b>971.85</b>
<b>30. Change in inventories of finished goods</b>		
Inventories at the beginning of the year	167.00	170.45
Inventories at the end of the year	160.00	167.00
	<b>7.00</b>	<b>3.45</b>
<b>31. Employee benefits expense</b>		
Salaries, wages and bonus	418.53	563.62
Contribution to provident and others funds	6.52	7.09
Staff welfare expenses	17.86	19.10
	<b>442.91</b>	<b>589.81</b>
<b>32. Finance Costs</b>		
Other borrowing costs	2.03	5.75
Interest expense - fair valuation of security deposit	1.34	3.13
Interest - lease liabilities	9.46	8.15
	<b>12.83</b>	<b>17.03</b>
<b>33. Development of hydrocarbon properties</b> (Expenditure on specialized materials and services)		
Contract rig charges & rig site preparation	39.79	67.02
Insurance	0.17	0.11
Management and drilling supervision	10.01	121.36
Materials consumed for drilling of oil wells	65.97	24.34
Miscellaneous expenses	11.95	92.37
Mud chemical, engineering & logging services	64.07	291.68
Perforation and well cleaning services	144.83	484.80
Rent	53.06	48.49
Travelling and conveyance	2.33	66.63
	<b>392.18</b>	<b>1,196.80</b>
<b>34. Other expenses</b>		
Administrative services and supplies	136.23	172.63
Advertisement and business development	18.41	23.39
Advisory services	71.27	68.95
Communication	8.61	14.60
Consumption of stores and spares	39.57	121.53
Director fees	20.90	23.73

(₹ In Lakhs)

Particulars	2020- 2021	2019-2020
Insurance	24.27	25.05
Loss on foreign exchange variation	2.19	0.29
Loss/ (Profit) on sale/write off of property, plant and equipment	(8.35)	89.52
Miscellaneous expenses	70.82	65.60
CSR expenses (refer note no.42 )	85.06	70.50
Power and fuel	11.73	117.41
Rent	70.80	158.17
Repairs- others	27.01	82.38
Repairs- machinery	96.52	46.40
Travelling and conveyance	3.19	28.70
Interest on payment of statutory dues	1.91	4.20
	<b>680.14</b>	<b>1,113.05</b>
<b>35. Tax expenses</b>		
<b>Income Tax</b>		
<b>Income tax related to items charged or credited directly to profit or loss during the year:</b>		
<b>Statement of profit and loss</b>		
(i) Current income tax (continuing operations)	319.60	1,494.83
(ii) MAT credit entitlement	-	-
(iii) Deferred tax expenses relating to origination and reversal of temporary differences (continuing operations)	(1,065.91)	(511.61)
<b>Total</b>	<b>(746.31)</b>	<b>983.22</b>
<b>Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2021 and 31 March 2020 :</b>		
Accounting profit / (loss) before income tax	(122.40)	3,226.76
Income tax rate	25.17%	29.12%
<b>Computed tax expenses (A)</b>	<b>(30.81)</b>	<b>939.63</b>
Tax effect of items that are not deductible for tax purpose	580.04	950.97
Tax effect of items that are deductible or are not taxable for tax purpose	(229.63)	(395.77)
Earlier year taxes	-	-
<b>Sub-total (B)</b>	<b>350.41</b>	<b>555.20</b>
Income tax expenses charged to the statement of profit & loss (A-B)	<b>319.60</b>	<b>1,494.83</b>
<b>36. Other comprehensive income</b>		
(A (i)) Items that will not be reclassified to profit or loss		
- Re-measurement gains (losses) on defined benefit plans	1.93	33.30
(A (ii)) Income tax relating to items that will not be reclassified to profit or loss		
- Re-measurement gains (losses) on defined benefit plans	0.49	9.70
Total (A)	<b>1.44</b>	<b>23.60</b>
(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 (B)	-	-
<b>Total (A) + (B)</b>	<b>1.44</b>	<b>23.60</b>
<b>37. Disclosure as required by Indian Accounting Standard (Ind AS 33) - Earnings per share</b>		
Face value of Equity share (in ₹)	10	10
Profit for the year	623.91	2,243.54
Weighted average number of Equity shares outstanding (No. of Equity shares)	1,52,00,000	1,53,20,616
Earning per share - basic (in ₹)	4.10	14.64
Earning per share - diluted (in ₹)	4.10	14.64



(₹ In Lakhs)

Particulars	2020 -2021	2019-2020
<b>38. Commitments and Contingent Liabilities</b>		
<b>A Commitments</b>		
Estimated amount of Contracts remaining to be executed on Capital Account (Net of Advances) and not provided for	1.46	15.45
<b>B Contingent Items</b>		
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. 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.

**40. Note on pricing of Crude Oil supplied from Karjisan field**

The Company is receiving an interim price for the oil produced from Karjisan field. As per the terms of the Karjisan PSC, the interim price is 70% of the Brent price. Negotiations with Indian Oil Corporation Limited (IOCL) are ongoing to arrive at a final price, so that payment of differential can be realised by the company, inclusive of amounts related to reimbursement of VAT.

**41. Note on Covid-19 (Coronavirus) Impact**

The Covid-19 pandemic is continuing to inflict high economic and human costs causing slowdown of economic activity, locally and globally. Specific to the company, the pandemic did have an impact in the sales volume, more pronounced in April 2020/Q1 FY 21. Despite pandemic, being in the business of essential commodities, all critical supply locations have continued operating even during the lockdown period with health, hygiene and safety measures in place.

The impact assessment of pandemic is a continuing process given the uncertainties associated with its nature and duration. Being in the nature of essential commodities, using the principles of prudence in applying judgements and estimates, the company expects no significant impact on the continuity of operations of the business on long term basis and expects to recover carrying amount of assets, investments, loans, trade receivables etc. On the Capex front, the company expects to go ahead with its capex plans and ensure execution of the same. The company has adequate funds for meeting its working capital and capex requirements, therefore there are no liquidity concerns.

Particulars	31 March 2021	31 March 2020
<b>42. Corporate Social Responsibility</b>		
i Gross amount required to be spent during the year [Including unspent balance at the beginning of the year]	271.66	257.14
ii Amount spent during the year		
For constructions /acquisition of assets	-	-
For other purpose	85.06	70.50
iii Unspent amount at the end of year	186.60	186.64

**43. 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.

Particulars	31 March 2021	31 March 2020
<b>44. Related Party Disclosures as per Indian Accounting Standard (Ind AS 24) are as follows :</b>		
<b>A) Related parties and their relationships</b>		
<b>i) Key Managerial Personnel</b>		
- Mr. Rohit Kapur Chairman and Whole Time Director	-	-
- Dr. D. J. Corbishley Director		
<b>B) Transactions with the above in the ordinary course of business</b>		
<b>i) Key Management Personnel</b>		
Remuneration to Mr. Rohit Kapur, Whole Time Director		
(a) Short term employment benefits	120.00	200.00
(b) Long term employment benefits		
(c) Payable at the year end		
Consultancy fee to Dr. D. J. Corbishley, Director	-	4.79

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.

**45. Disclosure as required by Ind AS-19, Employee Benefits**
**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 ₹17.40 Lakhs.

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	2020 - 2021		2019 - 2020	
	Leave encashment (unfunded)	Gratuity (Funded)	Leave encashment (unfunded)	Gratuity (Funded)
<b>A) Actuarial assumption</b>				
i) Discounting rate	6.76%	6.76%	6.76%	6.76%
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 2012-14)	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%
<b>B) Expenses recognised in the statement of profit and loss</b>				
i) Current service cost	2.32	6.16	1.90	5.20
ii) Net interest cost	0.58	2.71	0.75	4.82
iii) Expected return on plan assets	-	-	-	-
iv) Net actuarial (gain) / loss recognized in the period	1.99	-	3.02	-
v) Expenses recognized in the statement of Profit & Loss	4.89	8.87	5.67	10.02
<b>C) Recognised in other comprehensive income</b>				
i) Actuarial gain / (loss) arising on assets	-	(0.16)	-	(0.47)
ii) Actuarial gain / (loss) on PBO arising from:				
Change in demographic assumptions	-	-	-	0.04
Change in financial assumptions	-	-	-	(4.05)
Change in experience assumptions	-	2.09	-	37.78
iii) Net gain/ (loss) recognised in other comprehensive income	-	1.93	-	33.30
<b>D) Change in present value of obligation</b>				
i) Present value of obligation as at year beginning	8.57	82.62	9.84	137.04
ii) Interest cost	0.57	5.58	0.75	10.50
iii) Current service cost	2.32	6.16	1.90	5.20
iv) Past service cost incl. Curtailment gains and loss	-	-	-	-
v) Benefits paid	(5.06)	(5.49)	(6.94)	(36.35)
Actuarial (gain) / loss on PBO arising from:				
Change in demographic assumptions	-	-	-	(0.04)
Change in financial assumptions	-	-	0.50	4.05
Change in experience assumptions	1.99	(2.09)	2.52	(37.78)
vi) Present value of obligation as at year end	8.39	86.78	8.57	82.62
<b>E) Change in fair value of plan assets</b>				
i) Fair value of plan assets at year beginning	-	42.40	-	74.09
ii) Actual return on plan assets	-	3.11	-	5.21



(₹ In Lakhs)

Particulars	2020 - 2021		2019 - 2020	
	Leave encashment (unfunded)	Gratuity (Funded)	Leave encashment (unfunded)	Gratuity (Funded)
iii) Contributions	-	17.40	-	-
iv) Fund management charges (FMC)	-	(0.41)	0.00	(0.55)
v) Benefits paid	-	(5.49)	0.00	(36.35)
vi) Actuarial gain / (loss) on plan assets	-	-	-	-
vii) Fair value of plan assets at year end	-	57.01	-	42.40
<b>F) Liability / (Assets) recognised in Balance Sheet (D-C)</b>	<b>8.39</b>	<b>29.77</b>	<b>8.57</b>	<b>40.22</b>
<b>G) Expected contribution to the defined benefit plan for the next annual reporting period</b>	<b>-</b>	<b>9.27</b>	<b>-</b>	<b>11.13</b>
<b>H) 100% plan assets managed by Insurer Company.</b>				
<b>I) Maturity profile of employee benefit obligation valued on undiscount basis</b>				
i) Within the next 12 months (next annual reporting period)	1.29	13.73	2.88	14.56
ii) Between 1 and 5 years	2.23	31.74	2.16	32.43
iii) Beyond 5 years	4.87	41.31	3.53	35.64
iv) Total Expected Payments	8.39	86.78	8.57	82.63
<b>J) Sensetive Analysis of the defined benefit obligation</b>				
i) Impact of the change in the discount rate				
Present value of obligation at the end of the period	8.39	86.78	8.57	82.63
Impact due to increase of 0.50%	(0.39)	(2.47)	(0.29)	(2.39)
Impact due to decrease of 0.50%	0.42	2.64	0.30	2.56
ii) Impact of the change in the salary increase				
Present value of obligation at the end of the period	8.39	86.78	8.57	82.63
Impact due to increase of 0.50%	0.42	2.08	0.32	1.91
Impact due to decrease of 0.50%	(0.39)	(1.94)	(0.29)	(1.78)

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

Particulars	2020 - 2021		2019 - 2020	
<b>III Defined Contribution Plans</b>				
<b>Contribution to defined contribution plan, recognised as expenses for the year as under :</b>				
i) Recognised provident fund (including family pension)		6.52		7.09
ii) Medical insurance premium		6.74		6.24
<b>46. Remuneration to auditors</b>				
a) Statutory audit fee		10.00		10.00
b) Tax audit fee		1.00		1.00
c) Certification of matters		4.50		3.50
d) Taxation matters		2.10		0.60
e) GST		3.17		2.72
f) Expenses for audit and other work		0.04		0.35
<b>47. Remuneration to Cost Auditors</b>				
a) Cost audit fees		1.20		1.20
b) Expenses for cost audit and other work		0.20		-
c) GST		0.22		0.22
<b>48. Disclosures as per Ind AS 116 'Leases' are as follows:</b>				

On 30 March 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases, replacing the existing Standard Ind AS 17, to be effective from Accounting Period beginning with 1 April 2019. The adoption of Standard calls for recognition of 'Lease Liability' & 'Right to Use Assets', wherever the term of lease is in excess of 12 months, unless the underlying Asset is of low value. Applicable for Lessees, this Standard removes distinctive recognition, measurement and disclosure requirements between Operating Lease & Finance lease, hitherto prevalent. Variable lease payments which do not depend on an index or a rate (such as lease payments based on a percentage of sales) are excluded from measurement.

On transition to the new Standard, usage of either a full retrospective or a modified retrospective approach is permitted with options to use certain practical expedients. The Company enters into lease arrangements for underlying assets such as land, building, office premises

etc. The Company had chosen modified retrospective approach and accordingly comparatives for the year ending 31 March 2019 are not separately presented. Further, measurement of 'Lease Liability' & 'Right to Use Assets' have been made prospective as though the lease term is deemed to begin with the current Accounting Period.

The Company has used the following practical expedients:

1. Applying a single discount rate to a portfolio of leases with similar remaining lease term.
2. Not applying the transition requirements to leases for which the lease term ends within 12 months of the date of initial application i.e. 1 April 2019 and low value leases.
3. Not applying this Standard to contracts that were not previously identified to contain a lease element under erstwhile Ind AS 17.

#### A. Maturity analysis of lease liabilities:

The amounts disclosed in the table below are the contractual undiscounted cash flow:

Particulars	(₹ In Lakhs)	
	31 March 2021	31 March 2020
Less than one year	149.51	121.07
Between one and three years	294.17	247.37
More than three years	229.06	643.35
<b>Total</b>	<b>672.74</b>	<b>1,011.79</b>

#### B. Disclosures under para 53:

Particulars	(₹ In Lakhs)	
	31 March 2021	31 March 2020
a) Expense relating to short-term leases	32.79	45.18
b) Expense relating to leases of low-value assets	1.30	1.12
c) Expense relating to Land rent paid to various farmers (leases of low-value assets)	115.11	111.87
d) Expense relating to variable lease payments not included in the measurement of lease liabilities	-	-
e) Income from sub-leasing of 'right-of-use'	-	-
f) Interest expense on lease liabilities	9.46	8.14
<b>Total cash outflow for leases</b>	<b>158.66</b>	<b>166.31</b>

#### C. The following are the carrying values of Right of use ("ROU") assets:

Particulars	(₹ In Lakhs)	
	Class of Underlying Asset	
	Office Premises	Total
Gross Block		
Right Of Use asset recognised on initial application of Standard		
Additions/ Reclassifications	107.12	107.12
Deductions/ Reclassifications	-	-
<b>As on 31.03.2020</b>	<b>107.12</b>	<b>107.12</b>
Additions/ Reclassifications	-	-
Deductions/ Reclassifications	-	-
<b>As on 31.03.2020</b>	<b>107.12</b>	<b>107.12</b>
<b>Depreciation/ Amortisation</b>		
<b>For the year 2019-2020</b>	<b>16.78</b>	<b>16.78</b>
Deductions/ Reclassifications	-	-
<b>As on 31.03.2020</b>	<b>16.78</b>	<b>16.78</b>
For the year 2020-2021	25.34	25.34
Deductions/ Reclassifications	-	-
<b>As on 31.03.2021</b>	<b>42.12</b>	<b>42.12</b>
<b>Net Block as on 31.03.2021</b>	<b>65.00</b>	<b>65.00</b>

#### D. Transition impact

As on transition date the Company has recognized 'Right of Use assets' of ₹77.78 Lakhs. The lease liability of ₹ 77.78 Lakhs is recognised on transition date for operating leases with the exception of short-term leases and leases of low-value underlying assets.



#### 49. Foreign currency exposure

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

(In Lakhs)

Particulars	31 March 2021		31 March 2020	
	US Dollars	₹	US Dollars	₹
(a) Foreign currency exposures:				
i) Receivables	13.38	973.14	16.69	1,230.21
ii) Payables	-	-	2.61	196.59

#### 50. 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 2021

(₹ In Lakhs)

	Carrying Value	Fair Value	Fair Value		
			Level -1	Level -2	Level -3
<b>1 Financial Assets</b>					
<b>At amortised cost</b>					
Cash & cash equivalents	3,545.04	3,545.04			-
Bank balance other than above	1,202.87	1,202.87			-
Trade receivables	1,250.51	1,250.51			1,250.51
Other financial assets	405.30	405.30			405.30
Investments					
Tax Free Bonds and Government Bonds		-			-
	6,403.72	6,403.72	-	-	1,655.81
<b>Fair value through profit and loss</b>					
Investments in mutual fund	12,927.59	12,927.59	12,927.59	-	-
	12,927.59	12,927.59	12,927.59	-	-
<b>Fair value through other comprehensive income</b>					
Investments					
Mutual Fund (Equity Investment)	-	-	-	-	-
	-	-	-	-	-
Grand total	19,331.31	19,331.31	12,927.59	-	1,655.81
<b>2 Financial Liabilities</b>					
<b>At amortised cost</b>					
Borrowings					
Trade payables	244.17	244.17			244.17
Other financial liabilities	147.27	147.27			147.27
	391.44	391.44			391.44

**(b) Disclosures for the year ended 31 March 2020**

	Carrying Value	Fair Value	Fair Value		
			Level -1	Level -2	Level -3
<b>1 Financial assets</b>					
<b>At amortised cost</b>					
Cash & cash equivalents	941.04	941.04	-	-	-
Bank balance other than above	3,630.82	3,630.82	-	-	-
Trade receivables	1,752.98	1,752.98	-	-	1,752.98
Other financial assets	300.61	300.61	-	-	300.61
Investments					
Tax Free Bonds and Government Bonds		-	-	-	-
	6,625.45	6,625.45	-	-	2,053.59
<b>Fair value through profit and loss</b>					
Investments in Mutual Fund	12,682.42	12,682.42	12,682.42	-	-
	12,682.42	12,682.42	12,682.42	-	-
<b>Fair value through other comprehensive income</b>					
Investments					
Mutual Fund (Equity Investment)	-	-	-	-	-
	-	-	-	-	-
Grand total	19,307.87	19,307.87	12,682.42	-	2,053.59
<b>2 Financial liabilities</b>					
<b>At amortised cost</b>					
Borrowings	21.82	21.82	-	-	21.82
Trade payables	519.97	519.97	-	-	519.97
Other financial liabilities	336.05	336.05	-	-	336.05
	877.84	877.84	-	-	877.84

**(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

**51. 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 2021 and 31 March 2020.

**(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.

Particulars	(₹ In Lakhs)	
	31 March 2021	31 March 2020
Less than 6 months	1,051.98	1,466.89
6 to 12 months	5.66	120.64
More than 12 months	192.87	165.45
<b>Total</b>	<b>1,250.51</b>	<b>1,752.98</b>

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

Particulars	(in %)	
	31 March 2021	31 March 2020
Revenue from Top Customer	79%	88%
Revenue from Five Customers	98%	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.

Particulars				(₹ In Lakhs)
	Less than 1 year	1 to 5 years	More than 5 years	Total
<b>31 March 2021</b>				
Borrowings				
Vehicle Loan from others	-	-	-	-
Other financial liabilities	147.27	-	-	147.27
Trade & Other payables	244.17	-	-	244.17
<b>Total</b>	<b>391.44</b>	<b>-</b>	<b>-</b>	<b>391.44</b>
<b>31 March 2020</b>				
Borrowings				
Vehicle Loan from others	29.76	21.82	-	51.58
Other financial liabilities	306.29	-	-	306.29
Trade & Other payables	519.97	-	-	519.97
<b>Total</b>	<b>856.02</b>	<b>21.82</b>	<b>-</b>	<b>877.84</b>

## 52. 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 2021	31 March 2020	
Borrowings	-	51.58	
Less: current investments	12,927.59	12,682.42	
Less: Cash and cash equivalents	3,545.04	941.04	
Net Debt	(a) (16,472.63)	(13,571.88)	
Equity	(b) 31,121.42	31,256.06	
Equity and Net Debt	(c) = (a+b) 14,648.79	17,684.18	
Gearing Ratio	(a) / (c) (112.45)%	(76.75)%	

**53. Managerial Remuneration**

		(₹ In Lakhs)	
Particulars	31 March 2021	31 March 2020	
Salary and allowance to Manager	-	21.32	
Remuneration to Whole time director (including salary)	120.00	200.00	

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.

**54. CIF Value of Imports (including items in stock)**

		(₹ In Lakhs)	
Particulars	31 March 2021	31 March 2020	
a) Capital goods	22.02	-	

**55. Value of Spare Parts and components consumed**

		(₹ In Lakhs)	
Particulars	31 March 2021	31 March 2020	
i) Imported	49.92	62.84	
Percentage to the total	31%	36%	
ii) Indigeneous	110.95	112.73	
Percentage to the total	69%	64%	
iii) Total	160.87	175.57	

**56. Expenditure in Foreign Currency**

		(₹ In Lakhs)	
Particulars	31 March 2021	31 March 2020	
a) Technical Services (Net of TDS)	81.53	60.22	
b) Travel	-	32.32	

**57.** 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.

**58. 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.

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

**60.** In the opinion of management, the value of the assets, other than property, plant and equipment and intangible 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  
FRN: 010860N

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

**DEEPA BHALLA**  
COMPANY  
SECRETARY

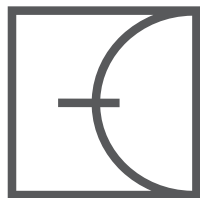
**VIJAY KIRPAL**  
CHIEF FINANCIAL  
OFFICER

**M. SINGH**  
DIRECTOR  
DIN : 07585638

**R. KAPUR**  
CHAIRMAN  
DIN : 00017172

Place: New Delhi  
Date: 25 June 2021





SELAN EXPLORATION TECHNOLOGY LIMITED

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

Email: [investors@seloil.com](mailto:investors@seloil.com)

Web: [www.seloil.com](http://www.seloil.com)



# 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; Tele Fax No. : 0124-4200326

## NOTICE

NOTICE is hereby given that the Thirty Sixth Annual General Meeting of Selan Exploration Technology Limited will be held on Tuesday, 07 September 2021 at 09:30 A.M. through Video Conferencing ("VC") / other Audio Visual Means ("OAVM") 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 2021 along with the Reports of the Directors' and Auditors' thereon.
- 2) To declare the interim dividend of 50% amounting to Rs. 5/- per equity share paid during the year as final dividend for the financial year 2020-21.

### 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 2021-22.

"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 2021-22 on a remuneration of Rs. 1,20,000/- per annum, be and is hereby ratified."

#### AS SPECIAL RESOLUTION

##### 2) RE-APPOINTMENT OF Ms. SONALI BHAGWATI DALAL AS AN INDEPENDENT DIRECTOR FOR A SECOND TERM OF FIVE CONSECUTIVE YEARS.

To consider, and if thought fit, to pass the following resolution as a Special Resolution :

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Act and Regulation 16(1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, Ms. Sonali Bhagwati Dalal (DIN : 01105028), Independent Non-Executive Director of the Company who holds office of Independent Director up to 25 December 2021 and who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and in respect of whom a notice in writing pursuant to section 160 of the Act has been received in the prescribed manner and

considering the report of her performance evaluation for the year 2020-21, being eligible for re-appointment, be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office for a second term of five consecutive years with effect from 26 December 2021 to 25 December 2026.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee thereof) and / or Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

By Order of the Board  
for **SELAN EXPLORATION TECHNOLOGY LTD.**

Date: 01 August 2021  
Place: New Delhi

**DEEPA BHALLA**  
Company Secretary

#### NOTES :

- 1) In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated 08 April 2020, Circular No.17/2020 dated 13 April 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated 05 May 2020 and Circular No. 02/2021 dated 13 January 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required hence, the Annual General Meeting be held through video conferencing (VC) or other audio visual means (OAVM) and Members can attend and participate in the ensuing AGM through VC/OAVM.
- 2) In compliance with the aforesaid MCA Circulars and SEBI Circular dated 12 May 2020 and 15 January 2021, Notice of the AGM is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website www.selanoil.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL <https://www.evoting.nsdl.com>.
- 3) Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

- (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.
- 4) As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from 01 April 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, MCS Share Transfer & Agent Limited for assistance in this regard.
  - 5) Register of Members and Share Transfer Books of the Company will remain closed from 31 August 2021 to 07 September 2021 (both days inclusive).
  - 6) Memorandum & Articles of Association of the Company and documents related to the resolutions will be available for inspection through electronic mode and the same shall be available at the Company's website [www.seloil.com](http://www.seloil.com) and at the Registered Office of the Company between 11:00 a.m. and 1:00 p.m. on all working days except Saturdays.
  - 7) 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 to the members by the 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 Notice and Annual Report for the year ended 31 March 2021 will also be available on the Company's website [www.seloil.com](http://www.seloil.com), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of NSDL <https://www.evoting.nsdl.com>.
  - 8) 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.
  - 9) Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

**I) Voting through electronic means:**

- 1) In compliance with the 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 Sixth 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) How do I vote electronically using NSDL e-Voting system?**

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





**Step 1: Access to NSDL e-Voting system**

**A) Login method for e-Voting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated 09 December 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>1. Existing IDeAS user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> <li>2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home authenticate the user by sending OTP on registered</li> </ol>

	<p>page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p>
	<p>4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</p> <p>NSDL Mobile App is available on</p> <p> App Store  Google Play</p> <p> </p>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the e-Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will</li> </ol>

	<p>Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk. <a href="mailto:evoting@cdslindia.com">evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43

**B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

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

- 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.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices 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. Password details for shareholders other than Individual shareholders are given below:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- 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.
- How to retrieve your 'initial password'?
  - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email 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'.
  - If your email ID is not registered, please follow the steps mentioned below **in process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- 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](http://www.evoting.nsdl.com).
- "Physical User Reset Password?"** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

- After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- Now, you will have to click on "Login" button.
- After you click on the "Login" button, Home page of e-Voting will open.

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

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

- After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is active.
- Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period.
- Now you are ready for e-Voting as the Voting page opens.
- 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.
- Upon confirmation, the message "Vote cast successfully" will be displayed.
- You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### III) General Guidelines for shareholders

- 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 [investors@selanoil.com](mailto:investors@selanoil.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- 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](http://www.evoting.nsdl.com) to reset the password.
- 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](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Abhishek Mishra at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

### IV) Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-Voting for the resolutions set out in this notice:

- In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [investors@selanoil.com](mailto:investors@selanoil.com).
- In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [investors@selanoil.com](mailto:investors@selanoil.com). If you are an Individual shareholders holding securities in demat



mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.**

3. Alternatively shareholder/member may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-Voting by providing above mentioned documents.
4. In terms of SEBI circular dated 09 December 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.
- V)** The remote e-Voting period commences on 04 September 2021 (9:00 a.m.) and ends on 06 September 2021 (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 31 August 2021, 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 31 August 2021. Mr. S. R. Iyer, Practising Chartered Accountant (Membership No. FCA082039) has been appointed as the Scrutinizer to scrutinize voting by remote e-Voting process in a fair and transparent manner.
- VII)** Any person, who acquire shares of the Company and becomes a member of the Company after dispatch of the notice of AGM and is holding shares as on the cut-off date i.e. 31 August 2021 may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [helpdeskdelhi@mcsregistrars.com](mailto:helpdeskdelhi@mcsregistrars.com).
- VII)** 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 and attend AGM through Video Conferencing ("VC") or other Audio Visual Means ("OVAM").
- IX)** The Scrutinizer shall after the conclusion of the AGM, will first count the votes cast during the AGM, 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 2 working days 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.
- X)** The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.selanoil.com](http://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 BSE Ltd. and National Stock Exchange of India Ltd.
- XI)** Since the AGM will be held through VC / OAVM, the Route Map is not annexed to this Notice.

## **XII) THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-Voting.

## **XIII) INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC / OAVM ARE AS UNDER:**

1. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against company name. You are requested to click on the VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Facility of joining the AGM through VC / OAVM shall open 15 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis.
3. Members are encouraged to join the Meeting through Laptops for better experience.
4. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
5. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
6. Members who need assistance before or during the AGM, can contact NSDL on [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)/ 1800-222-990.
7. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at [investors@selanoil.com](mailto:investors@selanoil.com) from 4 September 2021 (9:00 a.m. IST) to 05 September 2021 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

**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 2021-22 which was approved by the Board in its meeting held on 25 June 2021. 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, are concerned or interested in this resolution. Your Directors recommend the above Ordinary Resolution for approval.

**Item No. 2**

Based on the recommendations of Nomination and Remuneration Committee, the Board of Directors at its meeting held on 26 December 2016, appointed Ms. Sonali Bhagwati Dalal as an independent director of the Company for the first term of consecutive period of 5 years from 26 December 2016 up to 25 December 2021. Her appointment was also approved by the shareholders at Thirty Second Annual General Meeting of the Company held on 10 August 2017.

Since the first term as an Independent Director has expired on 25 December 2021, based on the recommendations of the Nomination and Remuneration Committee, considering the skills, experience & knowledge she possesses and the report of performance evaluation for the financial year 2020-21, the Board at its meeting held on 25 June 2021 recommended subject to the approval of the members, the re-appointment of Ms. Sonali Bhagwati Dalal for a second term of five consecutive years with effect from 26 December 2021 up to 25 December 2026 in terms of Section 149 read with Schedule IV to the Act and Listing Regulations or any amendment thereto or modification thereof.

In accordance with Section 149(10) of the Act, an Independent Director shall hold office for a term up to five consecutive years on the Board of the Company, but shall be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report. Ms. Dalal fulfils the requirement of an independent director as laid down under Section 149(6) of the Act and Regulation 16 of the Listing Regulations.

In respect of the said appointment, a notice in writing in the prescribed manner as required by Section 160 of the Act, as amended and rules made thereunder, has been received by the Company, regarding her candidature for the office of the Director.

Ms. Dalal has given her consent for the said re-appointment and has also submitted the declaration of independence, as required pursuant to Section 149(7) of the Act, stating that she meets the criteria of independence as provided in Section 149(6) and Regulation 16 of the Listing Regulations and is not disqualified from being appointed as a Director in terms of Section 164 of the Act.

The terms and conditions of appointment of an Independent Director shall be available for inspection through electronic mode and the same shall also be available at the Company's website at [www.selanoil.com](http://www.selanoil.com)

The Board is of the opinion that Ms. Dalal possesses requisite skills, experience and knowledge relevant to the Company's business and it would be of immense benefit to the Company to continue to have her association with the Company as an Independent Director of the Company. According to Section 152 of the Act, read with Schedule IV to the Act, and in the opinion of the Board, the proposed re-appointment fulfils the conditions specified in the Act and the rules made thereunder as also the applicable provisions of the Listing Regulations and is independent of the Management.

**Information about the appointee:**

**Brief resume**

Ms. Dalal (holding DIN : 01105028) is an Independent Non-Executive Director of the Company. Ms. Dalal has studied Architecture and Design, and has nearly 30 years of domestic and international experience, having earned the prestigious L'Institute Francaise D' Architecture scholarship to study and work in France.

Ms. Dalal is also actively involved with various NGOs and social organizations aimed at improving the overall quality of life of the citizens of our Country.

Ms. Dalal, Independent Director has registered herself with the Indian Institute of Corporate Affairs, Manesar ('IICA') as required under Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014. Ms. Dalal has served for more than three years on the board of listed entities and hence shall not be required to pass the online proficiency self-assessment test as per the proviso to Rule 6(4) of Companies (Appointment and Qualification of Directors) Rules, 2014.

**ANNEXURE TO ITEM. 2 OF THE NOTICE**

Details of Director seeking re-appointment at the forthcoming Annual General Meeting [Pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and Secretarial Standard 2 on General Meetings].

<b>Name of the Director</b>	<b>Ms. S.B. Dalal</b>
DIN	01105028
Date of birth	15.10.1961
Date of appointment	26.12.2016
Date of reappointment	26.12.2021
Qualification	Architect
Experience & Expertise in specific functional area	Ms. Dalal has studied Architecture and Design, and has nearly 30 years of domestic and international experience, having earned the prestigious L' Institute Francaise D' Architecture scholarship to study and work in France. Ms. Dalal is also actively involved with various NGOs and social organizations aimed at improving the overall quality of life of the citizens of our Country.
Terms & Conditions of appointment / re-appointment	Available on the website of the Company i.e. <a href="http://www.selanoil.com">www.selanoil.com</a>
Remuneration last drawn	Nil (Only sitting fees was paid to the independent director)

Shareholding in the Company as on 31.03.2021	Nil
Relationship with other directors and KMPs of the Company	None
No. of Meetings of Board attended during the year	3
List of Companies* in which outside directorship held	1. Greenply Industries Limited 2. Spazzio Design Architecture Private Limited 3. Spazzio Projects and Interiors Private Limited 4. Fade to Black Design and Media Private Limited
Chairman/Member of the Committees* of Board of Directors of Indian Companies	Selan Exploration Technology Limited Member – Corporate Social Responsibility

\* includes directorship/ committee positions in other Indian companies.

By Order of the Board  
for **SELAN EXPLORATION TECHNOLOGY LTD.**

Date: 01 August 2021  
Place: New Delhi

**DEEPA BHALLA**  
Company Secretary