

SELAN EXPLORATION TECHNOLOGY LTD.
CIN : L74899DL1985PLC021445
J-47/1, Shyam Vihar, Dindarpur, Najafgarh, New Delhi-110043
AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31 MARCH 2022

(₹ in Lakhs)

PARTICULARS	Quarter Ended			Year Ended	
	31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1. (a) Revenue from Operations	2,408	2,009	1,549	7,988	5,034
Less : Profit Petroleum paid to Gol	76	60	47	257	152
Revenue from Operations (Net)	2,332	1,949	1,502	7,731	4,882
2. (b) Other Income	181	184	210	751	943
3. Total Income	2,513	2,133	1,712	8,482	5,825
4. Expenses					
a) Operating Expenses	316	287	319	1,104	1,053
b) Changes in inventories of finished goods	32	(33)	(8)	8	7
c) Employee benefit expenses	141	113	121	470	443
d) Royalty and Cess	801	658	489	2,604	1,536
e) Other expenses	337	188	231	816	680
Total Expenses (a to e)	1,627	1,213	1,152	5,002	3,719
5 Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA)	886	920	560	3,480	2,106
a) Finance Cost	2	2	3	9	13
b) Depreciation and Amortisation	51	57	57	225	252
c) Development of Hydrocarbon Properties amortised	580	466	673	1,987	1,963
6 Profit / (Loss) before Tax	253	395	(173)	1,259	(122)
7 Tax Expenses :					
a) Provision for Current Tax	102	199	58	604	320
b) Taxes relating to earlier years	4	-	-	4	-
c) Deferred Tax	(155)	(114)	(341)	(342)	(1,066)
8 Net Profit for the period	302	310	110	993	624
9 Other Comprehensive Income / (Loss) (net of tax)	1	2	10	(1)	1
10 Total Comprehensive Income (after tax)	303	312	120	992	625
11 Cash Profit	778	719	499	2,863	1,773
12 Paid-up Equity Share Capital (face value ₹ 10/-)	1,520	1,520	1,520	1,520	1,520
13 Basic EPS (not annualised)	1.99	2.04	0.72	6.53	4.10
14 Diluted EPS (not annualised)	1.99	2.04	0.72	6.53	4.10

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STATEMENT OF ASSETS AND LIABILITIES AS ON 31 MARCH 2022

(₹ in Lakhs)

PARTICULARS	31.03.2022	31.03.2021
I ASSETS		
(1) Non-current assets		
Property, plant and equipment	661	702
Development of hydrocarbon properties	14,878	16,344
Capital work-in-progress	-	103
Right of Use assets	40	65
Intangible assets	-	-
Financial assets		
- Security Deposits	46	42
- Other financial assets	9	82
Other non-current assets	17	10
	15,651	17,348
(2) Current assets		
Inventories	798	669
Financial assets		
- Investment	13,476	12,928
- Trade receivables	1,874	1,251
- Cash and cash equivalents	353	3,545
- Other bank balances	5,172	1,203
- Other financial assets	-	281
Current tax asset (net)	78	120
Other current assets	182	220
	21,933	20,217
Total assets	37,584	37,565
II EQUITY AND LIABILITIES		
(1) Equity		
Equity share capital	1,520	1,520
Other equity	31,353	31,121
	32,873	32,641
(2) Liabilities		
Non-current liabilities		
Financial liabilities		
- Borrowings	-	-
- Lease liabilities	19	43
Provisions	103	32
Deferred tax liabilities (net)	3,870	4,212
	3,992	4,287
Current liabilities		
Financial liabilities		
- Trade payables	240	244
- Lease liabilities	24	27
- Other financial liabilities	123	148
Other current liabilities	330	212
Provisions	2	6
Current tax liabilities (net)	-	-
	719	637
Total equity and liabilities	37,584	37,565

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CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2022

(₹ in Lakhs)

PARTICULARS	2021-2022	2020-2021
A. Cash flow from Operating activities :-		
Net Profit / (Loss) before taxation	1,259	(122)
Add :		
Depreciation for the year	225	252
Other comprehensive income	(1)	1
Amortisation of DHP	1,987	1,963
Impairment of DHP	-	-
Interest on borrowings	-	2
Interest - Lease liabilities	8	9
	2,219	2,227
Less:		
Interest income	(140)	(293)
(Profit) / Loss on change in fair value of investments through FVTPL	(378)	(238)
(Profit) / Loss on sale / write-off of property, plant and equipment	(4)	(8)
	(522)	(539)
Operating profit before changes in assets and liabilities	2,956	1,566
Adjustment for changes in assets and liabilities		
(Increase) / Decrease in inventories	(129)	70
(Increase) / Decrease in trade receivables	(623)	502
(Increase) / Decrease in financial assets	(3,619)	2,324
(Increase) / Decrease in prepaid rent / interest expense	1	1
(Increase) / Decrease in other current assets	38	32
(Increase) / Decrease in tax asset	42	-120
Increase / (Decrease) in trade payable	(4)	(276)
Increase / (Decrease) in financial liabilities	(24)	(189)
Increase/ (Decrease) in provisions	67	(11)
Increase/ (Decrease) in current tax liabilities	-	(61)
Increase / (Decrease) in other current liabilities	118	41
	(4,133)	2,313
Cash generated from operations	(1,177)	3,879
Less: Income tax	608	320
Net cash from Operating activities (A)	(1,785)	3,559
B. Cash flow from Investing activities :-		
Purchase of property, plant & equipment and Additions to DHP	(70)	(74)
Net (purchase) / sales of current investments	(522)	(392)
Sale of property, plant & equipment	(171)	(7)
Interest income received	10	8
	140	293
Net cash generated / (used) in Investing activities (B)	(613)	(172)
C. Cash flow from Financing activities :-		
Increase / Decrease in :		
Long term borrowings taken / (paid)(Net)	-	-
Dividend paid (Including DDT)	(760)	(760)
Interest paid on borrowings	-	-
Payment of lease liabilities	(34)	(23)
Net cash generated / (used) in Financing activities (C)	(794)	(783)
Net change in cash and cash equivalents (A+B +C)	(3,192)	2,604
Balance at the beginning of the year	3,545	941
Balance at the end of the year	353	3,545
Net change in cash and cash equivalents	(3,192)	2,604

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Notes :

- 1 The Statement has been prepared in accordance with the Companies (Indian Accounting Standard) Rules, 2015 (Ind AS) prescribed under Section 133 of Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- 2 Residual value of Property, Plant and Equipment (PPE) is considered as Nil for the purpose of depreciation calculation.
- 3 The selling price of crude oil is determined at the prevailing international market rates in US Dollars. Fluctuations in the international price of crude oil and Dollar vs Rupee Exchange rates, affect the profitability of the company.
- 4 The Company operates in a single segment of production of Oil and Natural gas. Therefore, Ind AS-108 on Segment Reporting is not applicable to the Company.
- 5 Blackbuck Energy Investments Limited ("the Acquirer") along with Antelopos Energy Private Limited ("PAC") has entered into a share purchase agreement ("Share Purchase Agreement" or "SPA") dated March 17, 2022 with Mr. Rohit Kapur, Mrs. Rohini Kapur, Mrs. Raj Kapur and Winton Roavic LLP i.e. the Sellers, pursuant to which the Acquirer alongwith the PAC has agreed to acquire from the Sellers a minimum of 31,92,000 (Thirty One Lakhs and Ninety Two Thousand Only) Equity Shares of Selan Exploration Technology Limited ("Target Company") representing 21.00% of the Voting Share Capital and upto a maximum of 38,15,200 (Thirty Eight Lakhs and Fifteen Thousand Two Hundred Only) Equity Shares representing 25.10% of the Voting Share Capital, at ₹ 200.00/- (Rupees Two Hundred Only) per Equity Share, subject to the satisfaction of certain conditions precedent (including, but not limited to, receipt of the Required Statutory/Regulatory Approvals) under the Share Purchase Agreement.

As per the provisions of the SPA and subject to the conditions precedents therein, upon completion of the Open Offer and the Underlying Transaction, if the shareholding of the Acquirer in the Target Company computed as the sum of: (a) number of Equity Shares validly tendered by the Public Shareholders and accepted in the Open Offer; and (b) the Equity Shares agreed to be purchased by the Acquirer from the Sellers under the SPA, is below 25.10% of the Voting Share Capital of Target Company, then the Acquirer will acquire such number of additional Equity Shares from the Sellers pursuant to the SPA so as to ensure that the aggregate shareholding of the Acquirer in the Target Company is 25.10% of the Voting Share Capital of Target Company upon completion of the Transaction. The Share Purchase Agreement also sets forth the terms and conditions agreed between the Acquirer and the Sellers, and their respective rights and obligations.

Since the Acquirer has entered into the SPA to acquire voting rights which may be in excess of 25% of the Voting Share Capital and control over the Target Company, the Open Offer is pursuant to Regulation 3(1) and Regulation 4 of the SEBI (SAST) Regulations, 2011. Pursuant to the Open Offer and consummation of the Underlying Transaction, the Acquirer will have control over the Target Company and the Acquirer and PAC shall become the promoter and promoter group respectively, of the Target Company in accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations") and the Sellers will cease to be the promoter and/or promoter group of the Target Company. Accordingly, the Sellers will be re-classified from promoter and/or promoter group to public, subject to receipt of necessary approvals required in terms of the SEBI (LODR) Regulations and conditions prescribed therein.

- 6 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.

- 7 The Covid-19 pandemic continued to inflict high economic and human costs during current fiscal year causing slowdown of economic activity, locally and globally. Specific to the company, the pandemic did have an impact on the sales volume, during FY 2021-2022. Despite the pandemic, being in the business of essential commodity, all critical supply locations have continued operating even during the lockdown period with health, hygiene and safety measures in place. The company expects no significant impact on the continuity of operations of the business or the Capex plan on long term basis and expects to recover carrying amount of assets, investments, loans, trade receivables etc.
- 8 The Board of Directors at their meeting held on 5 February 2022, declared an interim dividend of 50% (i.e. ₹ 5 per equity share) for the FY 2021-2022.
- 9 Previous period figures have been reclassified / regrouped / restated, wherever necessary.
- 10 The figures for the quarter ended 31 March 2022 and 31 March 2021 represent the difference between the audited figures in respect of full financial year and unaudited figures of nine months ended 31 December 2021 and 31 December 2020 respectively.
- 11 The above results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 30 April 2022.

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

J.A. Martins
Proprietor
(M.No. 082051)
Place : New Delhi
Date: 30 April 2022

For SELAN EXPLORATION TECHNOLOGY LTD.



www.selanoil.com

R. KAPUR
DIN : 00017172
Chairman