

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

(₹ in Lakhs)

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

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

(₹ in Lakhs)

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

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

(₹ in Lakhs)

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

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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 It has been considered appropriate to show the development expenses of oil wells under "Development of Hydrocarbon Properties" as a separate item. "Development of hydrocarbon properties" includes the cost incurred on the collection of seismic data, drilling of wells, reservoir modeling costs and other related expenditures on development of oil fields.

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

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

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

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

- 7 The Company's lease for the Bakrol, Lohar and Karjisan oilfields ends in 2030. At expiry of the Lease period, the Company's Management expects to handover the aforementioned Oil Wells in working condition to new operator(s), assuming the leases are not extended in favour of the Company. This is similar to the manner in which the Indrora oilfield was handed over to ONGC during the year FY 2019-20.

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

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

- 8 The Company is receiving an interim price for the oil produced from Karjisan field. As per the terms of the Karjisan PSC, the interim price is 70% of the Brent price. Negotiations with Indian Oil Corporation Limited (IOCL) are ongoing to arrive at a final price, so that payment of differential can be realised by the company, inclusive of amounts related to reimbursement of VAT.
- 9 The Board of Directors at their meeting held on 15.02.2021 declared an interim dividend of 50% (i.e. ₹ 5 per equity share) for the F.Y. 2020 - 2021.
- 10 Previous period figures have been reclassified / regrouped / restated, wherever necessary.
- 11 The figures for the quarter ended 31 March 2021 and 31 March 2020 represent the difference between the audited figures in respect of full financial year and unaudited figures of nine months ended 31 December 2020 and 31 December 2019 respectively.
- 12 The above results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 25 June 2021.

Annexure to our report of even date

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

**For SELAN EXPLORATION TECHNOLOGY LTD.**

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



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**R. KAPUR**  
**DIN : 00017172**  
**Chairman**