

OIL INDIA INTERNATIONAL B.V.

Amsterdam, the Netherlands

**Financial statements as at
31 March 2017**

Statutory seat : Amsterdam, the Netherlands
File number : 60.60.57.31

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OIL INDIA INTERNATIONAL B.V.

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Management Board's report

The management herewith presents the financial statements of Oil India International B.V. (hereinafter "the Company") for the year ended 31 March 2017.

General

The Company was incorporated with limited liability under the laws of the Netherlands on 2 May 2014, having its statutory seat in Amsterdam and its business seat at Herikerbergweg 238 in Amsterdam. The Company is a wholly owned subsidiary of Oil India Ltd., India.

The activity of the Company is to act as a holding company for its Joint Venture WorldAce Investments Limited (hereinafter mentioned "WorldAce"). The Company holds 50% of the shares in WorldAce.

WorldAce is incorporated under the laws of Cyprus and its principal activities consist of oil and gas exploration, development and production.

Review of the Development and Performance of the Business, Results and Dividends

The Company realized a loss as per 31 March 2017 which is mainly the result of the losses realized by WorldAce. In 2016 the southern portion of the Arbuzovskoye oilfield was brought into year-round production. The development included the construction of a 4 km pipeline and power line to connect the oil field with Arbuzovskoye Pad 1 and the drilling of 4 new production wells at the Arbuzovskoye oil field.

Also in 2016 a further delineation well (No. 374) was drilled at the Sibkrayevskoye oil field. Unfortunately, commercial quantities of oil were not attainable from the well so it was plugged and abandoned. The financial position, development and performance of the Group as presented in these financial statements are considered satisfactory considering the above circumstances.

Risk and uncertainties

Management is of the opinion that the Company has sufficient and adequate risk procedures implemented; further reference is made to the financial statements, note 5 financial instruments and risk management.

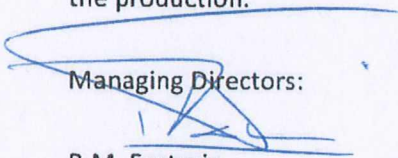
Board of directors

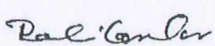
The directors are aware of the legislation of Article 2: 166 and 2:276 of the Dutch Civil Code ("DCC"). This legislation became effective as per 1 January 2013 and includes specific guidelines for the composition of a board of directors. As of 31 March 2017 the minimum level of 30% male or female directors has not been achieved. For future appointments of directors' board members all relevant aspect will be taken into consideration. Such aspects include, but are not limited to, the aforementioned articles of the DCC, other applicable guidelines and legislation, availability of appropriate candidates based on charter and internal quality guidelines. This to ensure an appropriate level of experience and expertise is available in the respective boards.

Future developments

The Company and WorldAce are committed to further exploit and develop the oil fields and increase the production.

Managing Directors:


R.M. Forterie


R. Bhattacharjee


T.J. van Rijn

Amsterdam, 2017, 19 may

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