

OIL INDIA CYPRUS LIMITED

REPORT AND FINANCIAL STATEMENTS

31 March 2016

OIL INDIA CYPRUS LIMITED

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31 March 2016

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OIL INDIA CYPRUS LIMITED

BOARD OF DIRECTORS AND OTHER OFFICERS

Board of Directors:

Marina Perianou
Bhattacharjee Rabisankar
Andry Spastri

Company Secretary:

TMF Company Secretary (CY) Limited

Independent Auditors:

Commodum Limited
Certified Public Accountants and Registered Auditors

Registered office:

23 Florinis Street, Stadyi Building, 4th floor
1065, Nicosia, Cyprus

Banker:

Royal Bank of Scotland PLC

Registration number:

HE295721

OIL INDIA CYPRUS LIMITED

REPORT OF THE BOARD OF DIRECTORS

The Board of Directors present their report to the members together with the audited financial statements of Oil India Cyprus Limited ("the Company") for the year ended 31 March 2016.

Principal activities

The Company was dormant for the year under review.

Review of current position, future developments and significant risks

The Company's position, development and performance as presented in these financial statements reflect those of a company that has no business activities and it is dependent on its shareholders for meeting its financial obligations.

The main risks and uncertainties faced by the Company and the steps taken to manage these risks, are described in note 3 of the financial statements.

Results

The Company's results for the year are set out on page 5.

Dividends

The Company did not have any distributable profits as at 31 March 2016, thus the Board of Directors cannot recommend the payment of a dividend.

Share capital

Authorised and issued capital

On 29 March 2016 the authorised share capital of the Company was increased to 45,000 ordinary shares of €1 each at par. On the same day, the Company issued 41,764 ordinary shares of €1 each at par, to the existing Members.

Board of Directors

The members of the Company's Board of Directors as at 31 March 2016 and at the date of this report are presented on page 1. All of them were members of the Board of Directors throughout the year ended 31 March 2016.

In accordance with the Company's Articles of Association all directors presently members of the Board continue in office.

There were no significant changes in the assignment of responsibilities and remuneration of the Board of Directors.

Events after the reporting period

There were no material events after the reporting period, which have a bearing on the understanding of the financial statements.

Independent Auditors

The Independent Auditors, Commodum Limited, have expressed their willingness to continue in office and a resolution giving authority to the Board of Directors to fix their remuneration will be proposed at the Annual General Meeting.

By order of the Board of Directors,



TMF Company Secretary (CY) Limited
Secretary

TMF COMPANY SECRETARY (CY) LTD

Nicosia, 10 May 2016



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Independent auditor's report

To the Members of Oil India Cyprus Limited

Report on the financial statements

We have audited the financial statements of Oil India Cyprus Limited (the "Company") on pages 5 to 13 which comprise the statement of financial position as at 31 March 2016, and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Board of Directors' responsibility for the financial statements

The Board of Directors is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors as well as evaluating the overall presentation of the financial statements.

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

Independent auditor's report (continued)

To the Members of Oil India Cyprus Limited

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Oil India Cyprus Limited as at 31 March 2016, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113.

Emphasis of matter

We draw attention to note 2 to the financial statements which indicates that the Company incurred a loss of US\$17,339 during the year ended 31 March 2016, and, as at that date its current liabilities exceeded its current assets by US\$3,169. These conditions, along with other matters as set forth in note 2 indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not qualified in respect of this matter.

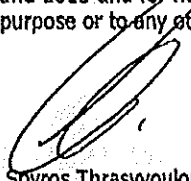
Report on other legal requirements

Pursuant to the additional requirements of the Auditors and Statutory Audits of Annual and Consolidated Accounts Laws of 2009 and 2013, we report the following:

- We have obtained all the information and explanations we considered necessary for the purposes of our audit.
- In our opinion, proper books of account have been kept by the Company, so far as appears from our examination of these books.
- The Company's financial statements are in agreement with the books of account.
- In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Cyprus Companies Law, Cap. 113, in the manner so required.
- In our opinion, the information given in the report of the Board of Directors is consistent with the financial statements.

Other matter

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 34 of the Auditors and Statutory Audits of Annual and Consolidated Accounts Laws of 2009 and 2013 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whose knowledge this report may come to.



Spyros Thrasyvoulou
Certified Public Accountant and Registered Auditor
for and on behalf of
Commodum Limited
Certified Public Accountants and Registered Auditors

Nicosia, 10 May 2016

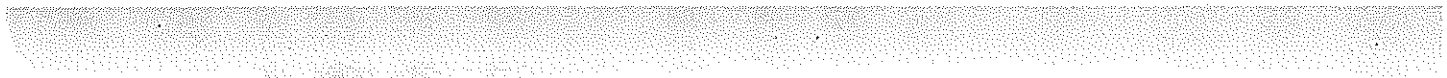
OIL INDIA CYPRUS LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year from 1 April 2015 to 31 March 2016

		1 April 2015 to 31 March 2016 US\$	1 April 2014 to 31 March 2015 US\$
	Note		
Administration expenses	4	<u>(15,493)</u>	<u>(14,223)</u>
Operating loss	5	(15,493)	(14,223)
Net finance (costs)/income	6	<u>(1,846)</u>	<u>6,789</u>
Loss before tax		(17,339)	(7,434)
Tax	7	-	-
Net loss for the year		(17,339)	(7,434)
Other comprehensive income		-	-
Total comprehensive loss for the year		<u>(17,339)</u>	<u>(7,434)</u>

The notes on pages 9 to 13 form an integral part of these financial statements.




OIL INDIA CYPRUS LIMITED

STATEMENT OF FINANCIAL POSITION 31 March 2016

	Note	31 March 2016 US\$	31 March 2015 US\$
ASSETS			
Cash at bank		<u>367</u>	<u>18,532</u>
		<u>367</u>	<u>18,532</u>
Total assets		<u>367</u>	<u>18,532</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	8	48,210	1,380
Other reserves		9,457	42,831
Accumulated losses		<u>(60,836)</u>	<u>(43,498)</u>
Total equity		<u>(3,169)</u>	<u>713</u>
Current liabilities			
Payables	9	<u>3,536</u>	<u>17,819</u>
		<u>3,536</u>	<u>17,819</u>
Total equity and liabilities		<u>367</u>	<u>18,532</u>

On 10 May 2016 the Board of Directors of Oil India Cyprus Limited authorised these financial statements for issue.


Marina Perianou
Director


Rabisankar Bhattacharjee
Director


Andry Spastri
Director

The notes on pages 9 to 13 form an integral part of these financial statements.



OIL INDIA CYPRUS LIMITED

STATEMENT OF CHANGES IN EQUITY

Year from 1 April 2015 to 31 March 2016

	Note	Share capital US\$	Capital reserve US\$	Accumulated losses US\$	Total US\$
Balance at 1 April 2013		1,380	-	(36,064)	(34,684)
Comprehensive loss					
Net loss for the year		-	-	(7,434)	(7,434)
Owners' Irrevocable contribution		-	42,831	-	42,831
Balance at 31 March and 1 April 2015		1,380	42,831	(43,498)	713
Comprehensive loss					
Net loss for the year		-	-	(17,339)	(17,339)
Transactions with owners					
Issue of share capital	8	46,830	(46,830)	-	-
Owners' irrevocable contribution		-	13,457	-	13,457
Balance at 31 March 2016		48,210	9,457	(60,836)	(3,169)

The notes on pages 9 to 13 form an integral part of these financial statements.

OIL INDIA CYPRUS LIMITED

STATEMENT OF CASH FLOWS

Year from 1 April 2015 to 31 March 2016

	1 April 2015 to 31 March 2016 US\$	1 April 2014 to 31 March 2015 US\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	<u>(17,339)</u>	<u>(7,434)</u>
Cash flows used in operations before working capital changes	(17,339)	(7,434)
(Decrease)/Increase in payables	<u>(14,283)</u>	<u>7,812</u>
Cash flows (used in)/from operations	<u>(31,622)</u>	<u>378</u>
CASH FLOWS FROM INVESTING ACTIVITIES	<u>-</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital	46,830	-
Transfer from capital reserve	(46,830)	-
Owners contribution	<u>13,457</u>	<u>42,831</u>
Net cash flows from financing activities	<u>13,457</u>	<u>42,831</u>
Net (decrease) /increase in cash and cash equivalents	(18,165)	43,209
Cash and cash equivalents:		
At beginning of the year	<u>18,532</u>	<u>(24,677)</u>
At end of the year	<u>367</u>	<u>18,532</u>

The notes on pages 9 to 13 form an integral part of these financial statements.

OIL INDIA CYPRUS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year from 1 April 2015 to 31 March 2016

1. Incorporation and principal activities

General Information

Oil India Cyprus Limited (the "Company") was incorporated in Cyprus on 21 October 2011 as a limited liability Company under the provisions of the Cyprus Companies Law, Cap. 113. The registered office of the Company is located at 23 Florinis Street, Stadyl Building, 4th floor, 1065, Nicosia, Cyprus.

The Company is controlled by Oil India Limited, a Company incorporated in India, which owns 76% of the Company's shares directly and 24% indirectly.

Principal activities

The Company was dormant for the year under review.

2. Accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented in these financial statements unless otherwise stated.

Going concern basis

The Company incurred a loss of US\$17,339 for the year ended 31 March 2016, and, as at that date its current liabilities exceeded its current assets by US\$3,169. The Company is dependent upon the continuing financial support of its parent company without which there would be significant doubt about its ability to continue as a going concern as well as its ability to realise its assets and discharge its liabilities in the ordinary course of business. The parent company has indicated its intention to continue providing such financial assistance to the Company to enable it to continue as a going concern and to meet its obligations as they fall due.

Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU) and the requirements of the Cyprus Companies Law, Cap.113. The financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates and requires Management to exercise its judgment in the process of applying the Company's accounting policies. It also requires the use of assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on Management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

Adoption of new and revised IFRSs

During the current year the Company adopted all the new and revised International Financial Reporting Standards (IFRS) that are relevant to its operations and are effective for accounting periods beginning on 1 April 2015. This adoption did not have a material effect on the accounting policies of the Company.

At the date of approval of these financial statements, standards and interpretations were issued by the International Accounting Standards Board which were not yet effective. Some of them were adopted by the European Union and others not yet. The Board of Directors expects that the adoption of these accounting standards in future periods will not have a material effect on the financial statements of the Company.

Finance income

Finance income represent favorable exchange differences.

OIL INDIA CYPRUS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year from 1 April 2015 to 31 March 2016

2. Accounting policies (continued)

Finance costs

Finance costs represent bank charges and unfavorable exchange differences.

Foreign currency translation

(1) Functional and presentation currency

Items included in the Company's financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in United States Dollars (US\$), which is the Company's functional and presentation currency.

(2) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Financial Instruments

Financial assets and financial liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents comprise cash at bank and in hand.

Payables

Payables are initially measured at fair value and are subsequently measured at amortised cost, using the effective interest rate method.

Share capital

Ordinary shares are classified as equity.

Comparatives

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

OIL INDIA CYPRUS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year from 1 April 2015 to 31 March 2016

3. Financial risk management

Financial risk factors

The Company is exposed to credit risk, liquidity risk, currency risk and capital risk management arising from the financial instruments it holds. The risk management policies employed by the Company to manage these risks are discussed below:

3.1 Credit risk

Cash balances are held with high credit quality financial institutions thus credit risk is considered as low for the Company.

3.2 Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The management of the Company does not have a formal policy for managing liquidity risk.

The following tables detail the Company's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The amounts due equal their carrying balances as the impact of discounting is not significant.

31 March 2016	Carrying amounts US\$	Contractual cash flows US\$	3 months or less US\$	Between 3-12 months US\$	Between 1-5 years US\$	More than 5 years US\$
Accruals	3,536	3,536	-	3,536	-	-
	<u>3,536</u>	<u>3,536</u>	<u>-</u>	<u>3,536</u>	<u>-</u>	<u>-</u>
31 March 2015	Carrying amounts US\$	Contractual cash flows US\$	3 months or less US\$	Between 3-12 months US\$	Between 1-5 years US\$	More than 5 years US\$
Accruals	17,819	17,819	-	17,819	-	-
	<u>17,819</u>	<u>17,819</u>	<u>-</u>	<u>17,819</u>	<u>-</u>	<u>-</u>

3.3 Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the Company's measurement currency. The Company is exposed to foreign exchange risk arising from currency exposures to the Euro.

3.4 Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern. The Company's overall strategy remains unchanged from last year.

Fair value estimation

The fair values of the Company's financial assets and liabilities approximate their carrying amounts at the reporting date.

OIL INDIA CYPRUS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year from 1 April 2015 to 31 March 2016

4. Administration expenses

	1 April 2015 to 31 March 2016	1 April 2014 to 31 March 2015
	US\$	US\$
Auditors' remuneration	946	969
Accounting fees	5,140	4,839
Legal and professional	9,407	8,415
	<u>15,493</u>	<u>14,223</u>

Other than auditor's remuneration there were no other fees charged by statutory auditors.

5. Operating (loss)

	1 April 2015 to 31 March 2016	1 April 2014 to 31 March 2015
	US\$	US\$
Operating loss is stated after charging the following items:		
Auditors' remuneration	<u>946</u>	<u>969</u>

6. Net finance (costs)/income

	1 April 2015 to 31 March 2016	1 April 2014 to 31 March 2015
	US\$	US\$
Net foreign exchange transaction gains	-	7,523
Finance income	<u>-</u>	<u>7,523</u>
Net foreign exchange transaction losses	(253)	-
Bank charges	<u>(1,593)</u>	<u>(734)</u>
Finance costs	<u>(1,846)</u>	<u>(734)</u>
Net finance (costs)/income	<u>(1,846)</u>	<u>6,789</u>

7. Tax

The Company is subject to income tax on taxable profits at the rate of 12.5%.

Due to tax losses sustained in the year, no tax liability arises on the Company. Under current legislation, tax losses may be carried forward and be set off against taxable income of the following years.

OIL INDIA CYPRUS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year from 1 April 2015 to 31 March 2016

8. Share capital

	31 March 2016 Number of shares	31 March 2016 US\$	31 March 2015 Number of shares	31 March 2015 US\$
Authorised				
Ordinary shares of €1 each	<u>45,000</u>	<u>52,010</u>	<u>6,000</u>	<u>8,280</u>
Issued and fully paid				
Balance at beginning of the year	1,000	1,380	1,000	1,380
Issue of shares	<u>41,764</u>	<u>46,830</u>	-	-
Balance at year end	<u>42,764</u>	<u>48,210</u>	<u>1,000</u>	<u>1,380</u>

Authorised and issued capital

On 29 March 2016 the authorised share capital of the Company was increased to 45,000 ordinary shares of €1 each at par. On the same day, the Company Issued 41,764 ordinary shares of €1 each at par, to the existing Members.

9. Payables

	31 March 2016 US\$	31 March 2015 US\$
Accruals	<u>3,536</u>	<u>17,819</u>
	<u>3,536</u>	<u>17,819</u>

The fair values of payables due within one year approximate to their carrying amounts as presented above.

10. Contingent liabilities

The Company had no contingent liabilities as at 31 March 2016.

11. Commitments

The Company had no capital or other commitments as at 31 March 2016.

12. Events after the reporting period

There were no material events after the reporting period, which have a bearing on the understanding of the financial statements.

Independent auditor's report on pages 3 and 4