OIL INDIA INTERNATIONAL B.V.

Amsterdam, the Netherlands

Financial statements as at
31 March 2016

Statutory seat	: Amsterdam, the Netherlands
Commercial Register	: Amsterdam, the Netherlands
File number	: 60.60.57.31

For identification purposes only
EDO
Registeraccountants

OIL INDIA INTERNATIONAL B.V.

Table of contents

For identification purposes only
EDO
Registeraccountants

OIL INDIA INTERNATIONAL B.V.

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 2016.

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 2016 which is mainly the result of the losses realized by WorldAce. In 2015 the Tungolskoye oilfield was brought into year-round production. The development included the construction of a 25 km pipeline and power line to connect the oil field with the central processing facility at Lineynoye and the drilling of up to 11 new production wells at the Tungolskoye oil field. Also in 2015 a delineation well was drilled at the Sibkrayevskoye oil field and 1,000 km of high quality 2D seismic data was acquired in the northern end of Licence 61 with a view to the future development of the Sibkrayevskoye oil. 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.

For identification purposes only
EDO
Registeraccountants

OIL INDIA INTERNATIONAL B.V.

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 2016 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

A.K. Gogoi

R. Bhattacharjee

T.J. van Rijn

Amsterdam, 19 May 2016

For identification purposes only
EDO
Registeraccountants

OIL INDIA INTERNATIONAL B.V.

Statement of financial position as at 31 March 2016
(before appropriation and expressed in USD)

	Notes	31 March 2016	31 March 2015
NON-CURRENT ASSETS			
Loans due from joint venture	8	41,144,842	28,000,000
Interest due from joint venture	8	3,262,320	-
Goodwill	7	-	3,942,424
Investment in joint venture	6	1	4,417,755
		44,407,163	36,360,179
CURRENT ASSETS			
Interest due from joint venture	8	-	628,241
Trade and other receivables		4,959	4,687
Cash at bank		4,460	1,153
		9,419	634,081
CURRENT LIABILITIES			
Interest due to shareholder	9	-	566,981
Trade and other payables		96,750	37,425
		96,750	604,406
NET CURRENT ASSETS/(LIABILITIES)		(87,330)	29,675
TOTAL ASSETS LESS CURRENT LIABILITIES		44,319,833	36,389,854
LONG TERM LIABILITIES			
Loans due to shareholder	9	50,000,000	28,000,000
Interest due to shareholder	9	3,100,376	-
TOTAL LONG TERM LIABILITIES		53,100,376	28,000,000
		(8,780,544)	**8,389,854**
CAPITAL AND RESERVES	10		
Issued and paid-up capital		8,343	7,885
Share premium reserve		35,107,589	35,030,126
Currency translation reserve		1,657	2,115
Retained earnings		(26,650,272)	-
Result for the year		(17,247,861)	(26,650,272)
		(8,780,544)	**8,389,854**

The accompanying notes form part of these accounts

For identification purposes only
EDO
Registeraccountants

OIL INDIA INTERNATIONAL B.V.

Profit and loss account for the period ended 31 March 2016

(expressed in USD)

	Notes	01/04/2015 - 31/03/2016	02/05/2014 - 31/03/2015
FINANCIAL INCOME/(EXPENSES)			
Amortization	7	-	-
Interest income on loan	8	2,634,079	628,241
Interest expense on loan	9	(2,533,395)	(566,981)
Foreign exchange result		(5,068)	5,589
Share of profit of joint venture	6	(17,215,336)	(26,639,821)
		(17,119,720)	(26,572,972)
OTHER EXPENSES			
General and administrative expenses		128,141	77,300
OPERATING RESULT BEFORE TAXATION		(17,247,861)	(26,650,272)
TAXATION			
Corporate income tax		-	-
RESULT FOR THE YEAR		**(17,247,861)**	**(26,650,272)**

For identification purposes only
EDO
Registeraccountants

The accompanying notes form part of these accounts

<u>OIL INDIA INTERNATIONAL B.V.</u>

Statement of changes in equity for the period ended 31 March 2016

	01/04/2015-31/03/2016	02/05/2014-31/03/2015
	USD	USD
Issued and paid-up capital		
At the begin of the year	7,885	-
Issuance of share capital	-	10,000
Exchange result	458	(2,115)
Balance at the end of the year	8,343	7,885
Currency translation reserve		
At the beginning of the year	2,115	-
Exchange result	(458)	2,115
Balance at the end of the year	1,657	2,115
Share premium reserve		
At the begin of the year	35,030,126	-
Movements	77,463	35,040,124
Conversion to share capital	-	(9,998)
Balance at the end of the year	35,107,589	35,030,126
Accumulated deficit		
At the begin of the year	-	-
Appropriation of result previous period	(26,650,272)	-
Balance at the end of the year	(26,650,272)	-
Result for the year	(17,247,861)	(26,650,272)
Total capital and reserves	**(8,780,544)**	**8,389,854**

The accompanying notes form part of these accounts

For identification purposes only
EDO
Registeraccountants

OIL INDIA INTERNATIONAL B.V.

Statement of cash flow for the period ended 31 March 2016

	Notes	31.Mar.16	31.Mar.15
Cash flows from operating activities			
Income for the year	10	(17,247,861)	(26,650,272)
Adjustments for:			
Movements in loan due from joint venture	8	8,855,158	-
Movements in goodwill	7	3,942,424	-
Movements in investment in joint venture	6	4,417,754	-
Changes in working capital			
Receivables		(2,634,351)	(632,928)
Current liabilities		2,592,720	604,406
Net cash generated from operating activities		**(74,156)**	**(26,678,794)**
Cash flows from investing activities			
Acquisition of joint venture	6	-	(4,417,755)
Goodwill	7	-	(3,942,424)
Net cash used in investing activities		-	**(8,360,179)**
Cash flows from financing activities			
Paid up capital	10	-	10,000
Share premium contribution		77,463	35,030,126
Loan payable	9	22,000,000	28,000,000
Loan receivable	8	(22,000,000)	(28,000,000)
Net cash used in financing activities		**77,464**	**35,040,126**
Net increase in cash and cash equivalents		**3,307**	**1,153**
Cash and cash equivalents - beginning of year		1,153	-
Net increase/(decrease) in cash and cash equivalents		3,307	1,153
Cash and cash equivalents - end of year		**4,460**	**1,153**

The accompanying notes form part of these accounts

For identification purposes only
EDO
Registeraccountants

Notes to the financial statements as at 31 March 2016

1. General

Oil India International B.V. (hereinafter "the Company") is a limited liability company, having its statutory seat in Amsterdam and its business seat at Herikerbergweg 238, 1101 CM Amsterdam, the Netherlands, was incorporated under the laws of the Netherlands on 2 May 2014. The Company is a wholly owned subsidiary of Oil India ltd., India.

The principal activities of the Company are to act as a holding company.

The financial year 2015/2016 covers the period 1 April 2015 – 31 March 2016.

In view of the international operations of the group of which the Company forms part, the annual accounts have been drawn up in US dollar, the Company's functional currency.

2. Basis of preparation

a) Statement of compliance

The accompanying financial statements have been prepared in accordance with International Financial Reporting Standards adopted by the European Union ("EU-IFRS"), IFRIC interpretations, in accordance with Part 9 of Book 2 of the Dutch Civil Code and IAS 28.

b) Basis of measurement

The financial statements have been prepared using the equity method of accounting unless specifically mentioned in the notes.

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

An asset is disclosed in the balance sheet when it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably. A liability is disclosed in the balance sheet when it is expected to result in an outflow from the entity of resources embodying economic benefits and the amount of the obligation can be measured with sufficient reliability.

Income and expenses are accounted for in the period to which they relate. Profit is only included when realised on balance sheet date. Losses are recognised when realised or foreseen.

For identification purposes only
EDO
Registeraccountants

Notes to the financial statements as at 31 March 2016

2. **Basis of preparation (cont'd)**

c) Going concern

There is a potential material uncertainty regarding the going concern. This is based upon the negative shareholders' equity of the Company as well as of its subsidiary, WorldAce Investments Limited and the breach of loan covenants. The Company has net assets of USD 74,613 and USD 50,000,000 in loans due to its shareholder. The shareholder has agreed not to seek repayments of these loans for the foreseeable future. Also the shareholder has agreed to provide further funding of USD 10,000,000 in 2016 to fund the Group's 2016 work programme as well as indicating their willingness to provide further funding in 2017. On this basis the Directors believe it is appropriate to prepare the financial statements on a going concern basis.

Effective 23 March 2016 the Company entered into a new USD 10,000,000 loan agreement with WorldAce Investments Limited. The loan is to fund the 2016 development activities at Licence 61 including the development of South Arbuzovskoye and a delineation well at Sibkrayevskoye. Principal repayments on the loan will not commence until 7 April 2021.

d) Foreign currency translation

All monetary assets and liabilities expressed in currencies other than USD have been translated at the rates of exchange prevailing at the balance sheet date, whereas non-monetary assets expressed in currencies other than USD are translated at historical rates. All transactions in foreign currencies have been translated into USD at the rates of exchange approximating those ruling at the date of the transactions. Resulting exchange differences have been recognised in the Profit and loss account except for the exchange differences arising from translation of share capital denominated in EUR, which are booked in the currency translation reserve.

The following exchange rate has been applied as at 31 March 2016: USD 1 = EUR 0.878349 (31 March 2015: EUR 0.929454).

e) Critical accounting judgments

The preparation of financial statements in conformity with EU-IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity or areas where assumptions and estimates are significant to the financial statements are disclosed in note 5.

For identification purposes only
EDO
Registeraccountants

Notes to the financial statements as at 31 March 2016

3. Significant accounting policies

a) Intangible fixed assets

Goodwill

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

b) Financial fixed assets

Investments in joint venture

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of the joint venture is incorporated in these financial statements using the equity method of accounting. Under the equity method, an investment in a joint venture is initially recognized in the consolidated statement of financial position at cost and adjusted thereafter to recognize the Company's share of the profit or loss and other comprehensive income of the joint venture. When the Company's share of losses of a joint venture exceeds the Company's interest in that joint venture (which includes any long-term interests that, in substance, form part of the Company's net investment in the joint venture), the Company discontinues recognizing its share of further losses. Additional losses are recognized only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the joint venture.

An investment in a joint venture is accounted for using the equity method from the date on which the investee becomes a joint venture. On acquisition of the investment in a joint venture, any excess of the cost of the investment over the Company's share of the net fair value of the identifiable assets and liabilities of the investee is recognized as goodwill. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognized immediately in profit or loss in the period in which the investment is acquired.

The requirements of IAS 39 are applied to determine whether it is necessary to recognize any impairment loss with respect to the Company's investment in a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss recognized forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

Notes to the financial statements as at 31 March 2016

3. Significant accounting policies (cont'd)

c) Financial instruments

Long-term assets and liabilities are initially measured at fair value, which includes attributable transaction costs. Subsequent to initial measurement, the long-term assets and liabilities are stated at amortised cost using the effective interest method.

d) Trade and other receivables

Trade and other receivables are recognized and carried at the lower of their original face value and their recoverable amount. A provision is made where the estimated recoverable amount is lower than the carrying amount. Given the short-term maturity of these financial assets their book value is deemed to approximate their fair value.

e) Cash and cash equivalents

Cash and cash equivalents include cash at hand, bank balances and deposits held at call. Bank overdrafts, if any, are shown within borrowings in current liabilities on the balance sheet. Cash and cash equivalents are stated at face value.

f) Trade accounts payable

Accounts payable are classified as current liabilities if payment is due within one year or less. Trade payables are recognized at fair value and subsequently measured and amortized using the effective interest method. Given the short-term maturity of these trade accounts payable their book value is deemed to approximate their fair value.

g) Determination of income

Dividend will be recognised when declared.

Other income and expenses are recognised in the year to which they are related. Profit is only recognised when realised on balance sheet date. Losses originating before the end of the financial year are taken into account if they become known before preparation of the financial statements.

h) Corporation tax

Corporation tax is calculated at the applicable tax rates based on the result before taxation shown in the Profit and loss account and taking into account tax allowances and tax adjustments. Deferred tax assets arising from tax loss carry forwards are only recognised if recovery is reasonably certain.

For identification purposes only
EDO
Registeraccountants

4. Adoption of IFRS and International Financial Reporting Interpretations Committee (IFRIC) interpretations

IFRS and IFRIC interpretations being adopted in subsequent years.

IFRS 15 *Revenue from Contracts with Customers* will replace IAS 18 Revenue, IAS 11 Construction Contracts and related interpretations. The new standard is applicable from 1 January 2018 and is subject to EU endorsement. IFRS 15 provides a new five step model to be applied to revenue arising from contracts with customers. The principles in IFRS 15 provide a more structured approach to measuring and recognising revenue and may impact the timing and amount of revenue recognised from contracts with customers. The Company is currently assessing the impact of IFRS 15 but currently does not expect any significant impact.

IFRS 16 *Leases* was issued in January 2016 and is effective for periods beginning on or after 1 January 2019. The new standard eliminates the classification of leases as either operating leases or finance leases for a lessee. Leases will be capitalised by recognising the present value of the lease payments, similar to a finance lease under the existing standard. This will have the effect of increased lease assets and financial liabilities for the Company. The standard is yet to be endorsed by the EU. The Company will assess the impact of IFRS 16 during 2016.

IFRS 9 *Financial Instruments* reflects the final phase of the IASB's work on the replacement of IAS 39 Financial Instruments: Recognition and Measurement and applies to the classification and measurement of financial assets and liabilities as defined in IAS 39, impairment, and the application of hedge accounting. IFRS 9 is effective from 1 January 2018 and is awaiting EU endorsement. The Company is currently assessing the impact of IFRS 9.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

5. Financial risk management

The Company is to a certain level exposed to the following risk:

Currency risk

Currency risk is the risk that fluctuations in the prevailing foreign currency exchange rates will affect the Company's financial position and cash flows. The Company does not run any currency risk, as the Company does not use any other currencies than its functional currency.

For identification purposes only
EDO
Registeraccountants

5. Financial risk management (cont'd)

Interest rate risk

Interest rate risk is the risk that fluctuations in the prevailing levels of market interest rates will affect the Company's financial position and cash flows. The Company does not run any interest rate risk on the loans as the floating base interests used are the same on both paid and received interest within the loan agreement.

Credit risk

Credit risk is the risk that a counterpart will be unable to pay amounts in full when due. The Company's credit risk is predominantly with related parties.

6 Investment in joint venture

On 3 July 2014 the Company acquired 50% of the shares of a Cypriote company WorldAce.

Details of the joint venture at year end are as follows.

Name of joint venture	Principal activity	Registered office	Proportion of ownership interest
WorldAce Investments Limited	Oil and gas exploration	Cyprus	50%

The financial year-end date of WorldAce is 31 December, because it is practically impossible to change the financial year-end due to local regulations. However, for the purposes of applying the equity method of accounting, the financial statements as per 31 December 2015 have been used (decreased with the interim accounts as per 31 March 2015) increased with the interim accounts as per 31 March 2016.

For identification purposes only
BDO
Registeraccountants

OIL INDIA INTERNATIONAL B.V.

Notes to the financial statements as at 31 March 2016

6 Investment in joint venture (cont'd)

Summarized financial information in respect to WorldAce is set out below. The summarized financial information below represents amounts shown in the joint venture's financial statements prepared in accordance with IFRS.

	31.Mar.16	31.Mar.15
	USD	USD
Non-current assets	81,714,493	90,547,245
Current assets	2,415,868	4,338,918
Current liabilities	5,828,609	9,502,079
Non-current liabilities	103,849,543	76,513,349

The above amounts of assets and liabilities include the following:

	31.Mar.16	31.Mar.15
	USD	USD
Cash and cash equivalents	1,048,648	422,161
Current financial liabilitites	5,828,609	9,502,079
Non-current financial liabilitites	103,849,543	76,513,349
Revenue	(293,673)	133,555
Profit or loss from continuing operations	(2,307,717)	(1,886,894)
Post-tax profit or loss from continuing operations	(2,601,390)	(1,753,339)
Other comprehensive income	5,824,418	(1,297,857)
Total comprehensive income	**3,223,028**	**(3,051,196)**
Depreciation and amortization	-	-
Interest income	2,411	5,085
Interest expense	1,512,818	(1,055,674)
Income tax (expense)/income	-	-

For identification purposes only
EDO
Registeraccountants

6 Investment in joint-venture (cont'd)

Reconciliation of the above summarized financial information to the carrying amount of the interest in the joint venture recognized in the financial statements:

	31.Mar.16	31.Mar.15
	USD	USD
Beginning of year	4,417,756	-
Acquisition	-	31,057,577
Result on investment over the period 2 May 2014 up to and including 31 December 2014	-	(25,114,223)
Result on investment over the period 1 January 2015 up to and including 31 March 2015	-	(1,525,598)
Result on investment over the period from 1 April 2015 up to and including 31 December 2015	(18,826,850)	-
Result on investment over the period 1 January 2016 up to and including 31 March 2016	1,611,514	-
Adjustment for negative value as per 31 March 2016	12,797,581	-
Value as per 31 March	1	4,417,756

There is no unrecognized share of loss of the joint venture. No dividend has been paid by the joint venture.

7 Goodwill

Useful life of the goodwill is infinite. The format rights are 5 years or contractual term.

Each year an impairment analysis is performed to identify possible impairment of the goodwill.

The impairment analysis is based on the determination of:

- The cash generating unit;
- The expected future cash flows;
- An appropriate determination of a discount rate (based on common acceptable principles) and on discounting and aggregating the expected value in use;
- The discount range that was used amounted from 10% till 17%.

Based on this analysis, an impairment amounting to USD 3,942,424 has been identified and recognised in the financial statements for the period under review.

For identification purposes only
EDO
Registeraccountants

OIL INDIA INTERNATIONAL B.V.

Notes to the financial statements as at 31 March 2016

8 Loans and interest due from joint venture

On 4 August 2014 the Company entered into an interest-bearing Facility Agreement in the amount of ultimately USD 45,000,000 with WorldAce. As per balance sheet date the amount withdrawn under this agreement amounted to USD 45,000,000. Interest is payable at an interest rate of 6% + 3M LIBOR. The loan shall be repaid in full on or before 12 July 2019. Part of this loan has been reported as doubtful debts due to the realized loss of WorldAce.

Effective 23 March 2016 the Company entered into an interest-bearing Facility Agreement in the amount of ultimately USD 10,000,000 with WorldAce. As per balance sheet date the amount withdrawn under this agreement amounted to USD 5,000,000. Interest is payable at an interest rate of 9% +3M LIBOR. The loan shall be repaid in full on or before 7 April 2021.

Following clause 7.2b of the Facility Agreements, considering that the value of the assets of WorldAce are less than its liabilities, the Company has decided not to recall the provided loans and accumulated interest until at least 12 months after balance sheet date. Therefore also the accumulated interest be classified as non-current.

The movements in loan due from joint venture can be summarised as follows:

	31.Mar.16	**31.Mar.15**
	USD	**USD**
Beginning of year	28,000,000	-
Issue during the year	22,000,000	28,000,000
Provision for doubtful debts	(8,855,158)	-
Value as per 31 March	41,144,842	28,000,000

9 Loans and interest due to shareholder

On 4 August 2014 the Company entered into an interest-bearing Facility Agreement in the amount of ultimately USD 45,000,000 with its shareholder Oil India Ltd. As per balance sheet date the amount withdrawn under this agreement amounted to USD 45,000,000. Interest is payable at an interest rate of 5.65% + 3M LIBOR. The loan shall be repaid in full on or before 12 July 2019.

For identification purposes only
EDO
Registeraccountants

9 Loans and interest due to shareholder(cont'd)

Effective 23 March 2016 the Company entered into an interest-bearing Facility Agreement in the amount of ultimately USD 10,000,000 with WorldAce. As per balance sheet date the amount withdrawn under this agreement amounted to USD 5,000,000. Interest is payable at an interest rate of 8.65% + 3M LIBOR. The loan shall be repaid in full on or before 7 April 2021.

Following clause 7.2b of the Facility Agreements, considering that the value of the assets of the Company are less than its liabilities, the shareholder has decided not to recall the provided loans and accumulated interest until at least 12 months after balance sheet date. Therefore also the accumulated interest be classified as non-current.

For identification purposes only
EDO
Registeraccountants

OIL INDIA INTERNATIONAL B.V.

Notes to the financial statements as at 31 March 2016

10 Capital and reserves

The authorised share capital consists of 7,328 shares of EUR 1 each, amounting to EUR 7,328.

The movements in capital and reserves can be summarised as follows:

	01/04/2015-31/03/2016	**02/05/2014-31/03/2015**
	USD	**USD**
Issued and paid-up capital		
At the begin of the year	7,885	-
Issuance of share capital	-	10,000
Exchange result	458	(2,115)
Balance at the end of the year	8,343	7,885
Currency translation reserve		
At the beginning of the year	2,115	-
Exchange result	(458)	2,115
Balance at the end of the year	1,657	2,115
Share premium reserve		
At the begin of the year	35,030,126	-
Movements	77,463	35,040,124
Conversion to share capital	-	(9,998)
Balance at the end of the year	35,107,589	35,030,126
Accumulated deficit		
At the begin of the year	-	-
Appropriation of result previous period	(26,650,272)	-
Balance at the end of the year	(26,650,272)	-
Result for the year	(17,247,861)	(26,650,272)
Total capital and reserves	**(8,780,544)**	**8,389,854**

For identification purposes only
EDO
Registeraccountants

OIL INDIA INTERNATIONAL B.V.

Notes to the financial statements as at 31 March 2016

11 Audit fees

With reference to Section 2:382a(1) and (2) of the DCC, the following fees for the period under review have been charged by MooreStephens MSN B.V. to the Company: EUR 12,070 (2014-2015 EUR 16,040).

12 Managing directors

The Company has four managing directors who received no remuneration during the year under review or previous year. The Company has no Supervisory Directors.

13 Employees

The Company does not employ any staff and hence incurred no salary, related social security charges or pension costs in the year under review or previous year.

14 Related party transactions

Loan due from shareholder and loan to joint venture:
Related party transactions are priced at an arm's length basis. For the terms and conditions on the loans to related parties, reference is made to Note 8 Loan and interest due from joint venture and Note 9 Loan due to shareholder.

15 Contingent liabilities and commitments

The Company has a contingent obligation for a bonus payment of USD 5,000,000 to Petroneft Resources Plc. The contingent obligation is part of the acquisition agreement for the joint venture WorldAce dating 17 April 2014. The Company has agreed to pay a bonus payment of USD 5,000,000 when WorldAce subsidiary Ooo Stimul-T achieves an average production rate of gross production from the Sibkrayevskoye field of 7,500 barrels a day for 90 continues days by 1 January 2019

Managing Directors,

A.K. Gogoi

R.M. Forterie

R. Bhattacharjee

T.J. van Rijn

For identification purposes only
EDO
Registeraccountants

Amsterdam, 19 May 2016

OIL INDIA INTERNATIONAL B.V.

Supplementary information

Statutory provision of appropriation of result

In accordance with article 21 of the Articles of Association the result for the year is at the disposal of the General Meeting of Shareholders. Dutch law stipulates that distributions may only be made to the extent the Company's equity is in excess of the reserves it is required to maintain by law and its Articles of Association. Moreover, no distributions may be made if the Management Board is of the opinion that, by such distribution, the Company will not be able to fulfil its financial obligations in the foreseeable future.

Proposed appropriation of result

The Management proposes to carry forward the result for the financial period under review.

Post balance sheet events

No events have occurred since 31 March 2016 that would make the present financial position substantially different from that shown in the balance sheet as at balance sheet date.

Statement regarding the Auditor's report

The independent auditor's report is set out on the next page.

For identification purposes only
EDO
Registeraccountants

REGISTERACCOUNTANTS EN BELASTINGADVISEURS

Breguetlaan 36
1438 BC Oude Meer (Schiphol)
Postbus 75127
1117 ZR Schiphol
T 020 653 36 66
F 020 653 35 55
E info@edo.nl
www.edo.nl

To: the shareholders and the Board of Directors of
Oil India International B.V.

INDEPENDENT AUDITOR'S REPORT

Report on the financial statements

We have audited the accompanying financial statements 2015 of Oil India International B.V., Amsterdam, which comprise the statement of financial position as at 31 March 2015, the statements of comprehensive income, changes in equity and cash flows for the year then ended and notes, comprising a summary of the significant accounting policies and other explanatory information.

Management's responsibility

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Dutch Civil Code, and for the preparation of the management board report in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore management is responsible for such internal control as it determines is necessary to enable the preparation of the 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 Dutch law, including the Dutch Standards on Auditing. This requires 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 and fair presentation of the financial statements 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 management, 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 qualified audit opinion.

For identification purposes only
EDO
Registeraccountants

Basis for qualified opinion

Oil India International B.V.'s investment in WorldAce Investments Limited, a foreign associate acquired during the year and accounted for by the equity method, is carried at USD 4,417,755 on the balance sheet as at 31 March 2015, and Oil India International B.V.'s share of WorldAce Investments Limited's net loss of USD 26,639,821 is included in Oil India International B.V.'s result for the year then ended.

We were unable to obtain sufficient appropriate audit evidence about the carrying amount of Oil India International B.V.'s investment in WorldAce Investments Limited as at 31 March 2015 and Oil India International B.V.'s share of WorldAce Investments Limited's result for the year because there were no audited financial statements of WorldAce Investments Limited as at 31 March 2015 available to us. The information available consisted of the audited financial statements of WorldAce Investments Limited as at 31 December 2014 and unaudited management accounts of WorldAce Investments Limited as at 31 March 2015. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

Qualified opinion with respect to the financial statements

In our opinion, except for the possible effects of the matter described in the Basis for qualified opinion paragraph, the financial statements give a true and fair view of the financial position of Oil India International B.V. as at 31 March 2015 and of its result and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements

Pursuant to the legal requirement under Section 2:393 sub 5 at e and f of the Dutch Civil Code, we have no deficiencies to report as a result of our examination whether the management board report, to the extent we can assess, has been prepared in accordance with Part 9 of Book 2 of this Code, and whether the information as required under Section 2:392 sub 1 at b-h has been annexed. Further we report that the management board report, to the extent we can assess, is consistent with the financial statements as required by Section 2:391 sub 4 of the Dutch Civil Code.

Oude Meer, 3 May 2016

EDO Registeraccountants en Belastingadviseurs

Edwin P.H. van Ravenswoud
Registeraccountant

For identification purposes only
EDO
Registeraccountants