

**Annual report**

for

**Oil India Sweden AB**

556794-0530

Financial year  
2020-04-01 – 2021-03-31

The Board of Directors of Oil India Sweden AB hereby submits the annual report for the financial year 2020-04-01 – 2021-03-31.

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## Directors' report

### Activities

Oil India Sweden AB was incorporated November 20, 2009.

The principal activities of the Company are to conduct owning of shares in other companies, perform administrative tasks and associate activities.

The Company is a wholly-owned subsidiary to Oil India Limited, India, with corporate ID no. L11101AS1959GOI001148.

The Company holds 50% of all shares in Indoil Netherlands B.V. with registered address in Amsterdam. Indoil Netherlands is run as joint operation in partnership with IOC Sweden AB. Indoil Netherlands B.V. holds 7% of the shares in Petrocarabobo S.A., Venezuela and 24,2% of the shares in Carabobo Ingenieria y Contruccion S.A., Venezuela.

Both the last-mentioned companies are active in Project Carabobo, developing oil reserves in Venezuela.

The Company also holds 24% of the shares in Oil India Cyprus Ltd with registered address in Nicosia, Cyprus.

### Important events during the financial year

The Company has during the financial year made contributions (capital injections) in Indoil Netherlands to an amount of 50KEUR, amounts that have been used for current expenses.

The activity of the group is fully financed by capital injections from the parent company Oil India Limited. During the year company received contributions in amount of 133,9 KEUR, which has been converted into new shares.

#### *Impact of COVID 19 on the operations of Venezuela*

Venezuela has been in lockdown since 16.03.2020. Although, the field operations are in process with the production being reported daily but the offices in Venezuela are closed which has impacted Group monitoring of the project.

There is no immediate impact on the production from the project but as the global demand has significantly decreased worldwide long with the lowering of crude oil prices, it may impact the project in future. Indoil have arranged for a valuation report for PCB and the same has been assessed by the Auditors of Indoil Netherlands BV.

During the financial year, Indoil had discussed the matter with its auditors and made the necessary write-downs in the accounts of Indoil Netherlands B.V. The valuation report for PBC is based on the valuation made by an independent valuer and, according to the current auditors' satisfaction, the necessary impairment adjustments have been taken into accounts.

Company had made write-down in both standalone and consolidated statements, as presented in the Annual Report.

The COVID-19 Coronavirus outbreak in early 2020 has brought about additional uncertainties in the Company's operating environment and may impact the Company's operations in its financial position subsequent to the financial year end. The Company has been closely monitoring the impact of the developments on the Company's business and will develop contingency measures as the situation evolves. As the situation is fast evolving, the effect of outbreak is subject to significant levels of uncertainty, with the full range of possible effects unknown.

*Political development impact on the operations in Venezuela*

The production and development activities in the project have been affected due to the deteriorating socio-political situation of the country along with the US Sanctions on PDVSA and Venezuela. The project may revive once the socio-political situation of the country improves as there is no subsurface risk in the project.

**Multi-year overview (KEUR)**

<i>Group</i>	2020-04-01	2019-04-01	2018-04-01	2017-04-01	2016-04-01
	2021-03-31	2020-03-31	2019-03-31	2018-03-31	2017-03-31
Net turnover	0	80	130	169	361
Result after fin. items	-9 026	-119	-82	-89	-77
Total assets	41 881	54 013	52 818	48 021	55 098
Equity/assets ratio (%)	96.40%	97.10%	97.20%	97.40%	97.90%
	2020-04-01	2019-04-01	2018-04-01	2017-04-01	2016-04-01
<i>Parent company</i>	2021-03-31	2020-03-31	2019-03-31	2018-03-31	2017-03-31
Net turnover	0	0	0	0	0
Result after fin. items	-6 354	-62	-47	-33	-33
Total assets	40 697	46 894	46 812	46 751	46 653
Equity/assets ratio (%)	99.80%	99.90%	99.90%	99.90%	100.00%

**Proposed allocation of result**

*Parent company*

Amount in Euro

It is proposed by the board of directors that the company's non-restricted equity will be allocated as follows:

Losses carried forward	-467 562
Net result for the year	-6 354 018
	<hr/>
	-6 821 580
Proposed allocation of disposable result:	
Losses carried forward	-6 821 580
<b>Total</b>	<hr/> <b>-6 821 580</b>

## Consolidated statement of comprehensive income

<i>Amount in Euro</i>	<i>Note</i>	<i>2020-04-01 2021-03-31</i>	<i>2019-04-01 2020-03-31</i>
<b>Operating income</b>			
Secondment income	3, 12	0	80 440
<b>Total operating income</b>		<b>0</b>	<b>80 440</b>
<b>Operating expenses</b>			
Other external expenses	3, 4, 5, 12	-122 779	-191 101
<b>Total operating expenses</b>		<b>-122 779</b>	<b>-191 101</b>
<b>Operating profit/loss</b>		<b>-122 779</b>	<b>-110 661</b>
<b>Financial items</b>			
Result from participation in associated companies		-13 748	-10 628
Other financial income	6	0	4 175
Financial expenses	6	-8 889 606	-1 727
<b>Net financial items</b>		<b>-8 903 354</b>	<b>-8 180</b>
<b>Net profit/loss for the year</b>		<b>-9 026 133</b>	<b>-118 841</b>
<b>Earnings per share (Euro)</b>		<b>-2.15</b>	<b>-0.03</b>
<b>Other comprehensive income/expenses</b>			
Translation differences on foreign operations for the year	7	-3 170 898	1 067 164
<b>Total comprehensive income/expenses</b>		<b>-3 170 898</b>	<b>1 067 164</b>
<b>Total comprehensive profit/loss for the year</b>		<b>-12 197 031</b>	<b>948 323</b>

## Consolidated statement of financial position

<i>Amount in Euro</i>	<i>Note</i>	<i>2021-03-31</i>	<i>2020-03-31</i>
<b>ASSETS</b>			
<b>Fixed assets</b>	8		
<b>Financial fixed assets</b>			
Other securities held as fixed assets		40 344 534	52 399 567
Shares in associated companies		56 114	28 281
<b>Total fixed assets</b>		<b>40 400 648</b>	<b>52 427 848</b>
<b>Current assets</b>			
Receivables from group companies	12	1 422 453	1 531 304
Prepaid expenses and accrued income	9	157	4 085
Cash and cash equivalents		57 660	49 388
<b>Total current assets</b>		<b>1 480 270</b>	<b>1 584 777</b>
<b>TOTAL ASSETS</b>		<b>41 880 919</b>	<b>54 012 626</b>

## Consolidated statement of financial position

<i>Amount in Euro</i>	<i>Note</i>	<i>2021-03-31</i>	<i>2020-03-31</i>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	10	47 427 949	47 294 030
Issued share capital under registration		0	0
Shareholders' contributions		0	0
Translation difference		2 897 701	6 068 598
Unrestricted reserves		-943 186	-824 345
Net/profit for the year		-9 026 133	-118 841
<b>Total equity</b>		<b>40 356 331</b>	<b>52 419 443</b>
<b>Current liabilities</b>			
Accounts payable		17 667	18 227
Liabilities to group companies	12	1 467 942	1 547 305
Accrued expenses and prepaid income	11	38 979	27 651
		<b>1 524 588</b>	<b>1 593 183</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>41 880 919</b>	<b>54 012 626</b>

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### Consolidated statement of changes in equity

<i>Amount in Euro</i>	Share capital	Issued Share capital under registration	Shareholder's contribution	Translation difference	Accumulated profit or loss	Result for the year	Total equity
Opening balance 2019-04-01	47 050 393	0	112 336	5 001 435	-742 738	-81 607	51 339 819
New share issue	243 637						243 637
Shareholder's contributions			-112 336				-112 336
Appropriation of result					-81 607	81 607	0
Total comprehensive result for the year				1 067 164		-118 841	948 323
<b>Closing balance 2020-03-31</b>	<b>47 294 030</b>	<b>0</b>	<b>0</b>	<b>6 068 599</b>	<b>-824 345</b>	<b>-118 841</b>	<b>52 419 443</b>
Opening balance 2020-04-01	47 294 030	0	0	6 068 599	-824 345	-118 841	52 419 443
New share issue	133 919						133 919
Shareholder's contributions			0				0
Appropriation of result					-118 841	118 841	0
Total comprehensive result for the year				-3 170 898		-9 026 133	-12 197 031
<b>Closing balance 2021-03-31</b>	<b>47 427 949</b>	<b>0</b>	<b>0</b>	<b>2 897 701</b>	<b>-943 186</b>	<b>-9 026 133</b>	<b>40 356 331</b>

## Consolidated cash flow statement

<i>Amount in Euro</i>	<i>2020-04-01</i>	<i>2019-04-01</i>
	<i>2021-03-31</i>	<i>2020-03-31</i>
<b>Operating activities</b>		
Net profit/loss	-9 026 133	-118 841
Adjustment for items not affecting cash flow	8 870 627	0
<b>Cash flow from operating activities before</b>		
<b>Changes in operating capital</b>	<b>-155 506</b>	<b>-118 841</b>
<i>Cash flow from changes in operating capital</i>		
Increase (-) / Decrease (+) of operating receivables	112 779	-131 105
Increase (+) / Decrease (-) of operating liabilities	-68 595	115 061
<b>Cash flow from operating activities</b>	<b>-111 322</b>	<b>-134 884</b>
<b>Investment activities</b>		
Acquisition of other securities held as fixed assets	0	0
Participation in associated companies	-27 833	0
<b>Cash flow from investment activities</b>	<b>-27 833</b>	<b>0</b>
<b>Financing activities</b>		
New share issue	133 920	243 637
Shareholder contribution	0	-112 336
<b>Cash flow from financing activities</b>	<b>133 920</b>	<b>131 301</b>
<b>Cash flow for the year</b>	<b>-5 235</b>	<b>-3 583</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>49 388</b>	<b>57 311</b>
<b>Translation differences on foreign operations for the year</b>	<b>13 507</b>	<b>-4 340</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>57 660</b>	<b>49 388</b>

## Parent company's income statement

<i>Amount in Euro</i>	<i>Note</i>	<i>2020-04-01</i> <i>2021-03-31</i>	<i>2019-04-01</i> <i>2020-03-31</i>
<b>Operating income</b>			
Net sales		0	0
<b>Total operating income</b>		<b>0</b>	<b>0</b>
<b>Operating expenses</b>			
Other external expenses	3, 4, 5	-76 832	-50 074
<b>Total operating expenses</b>		<b>-76 832</b>	<b>-50 074</b>
<b>Operating profit/loss</b>		<b>-76 832</b>	<b>-50 074</b>
<b>Financial items</b>			
Result from investments in associates		-13 748	-10 628
Other financial income	6	-3 625	165
Interest expenses and similar items	6	-6 259 814	-1 179
<b>Net financial items</b>		<b>-6 277 186</b>	<b>-11 642</b>
<b>Net profit/loss for the year</b>		<b>-6 354 018</b>	<b>-61 716</b>

**Parent company's balance sheet**

<i>Amounts in Euro</i>	<i>Note</i>	<i>2021-03-31</i>	<i>2020-03-31</i>
<b>ASSETS</b>			
<b>Fixed assets</b>	8		
<b>Financial fixed assets</b>			
Participation in associated companies		56 114	28 281
Participation in joint operation		40 348 488	46 607 109
<b>Total fixed assets</b>		<b>40 404 602</b>	<b>46 635 390</b>
<b>Current assets</b>			
Receivables from related parties	12	259 684	225 197
Cash and cash equivalents		32 646	33 822
<b>Total current assets</b>		<b>292 329</b>	<b>259 019</b>
<b>TOTAL ASSETS</b>		<b>40 696 931</b>	<b>46 894 409</b>

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**Parent company's balance sheet**

<i>Amounts in Euro</i>	<i>Note</i>	<i>2021-03-31</i>	<i>2020-03-31</i>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>	10		
<i>Restricted equity</i>			
Share capital		47 427 950	47 294 030
Issued share capital under registration		0	0
<i>Non-restricted equity</i>			
Shareholders' contributions		0	0
Profit/loss carried forward		-467 562	-405 846
Net/profit for the year		-6 354 018	-61 716
<b>Total equity</b>		<b>40 606 370</b>	<b>46 826 468</b>
<b>Current liabilities</b>			
Accounts payable		5 774	12 291
Liabilities to related parties	12	58 548	44 801
Accrued expenses and prepaid income	11	26 239	10 849
		<b>90 561</b>	<b>67 941</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>40 696 931</b>	<b>46 894 409</b>

### Parent company's changes in equity

<i>Amount in Euro</i>	Share capital	Issued Share capital under registration	Shareholders' contribution	Translation difference	Accumulated profit or loss	Result for the year	Total equity
Opening balance 2019-04-01	47 050 393	0	112 336	0	-359 176	-46 670	46 756 883
New share issue	243 637						243 637
Shareholder's contributions			-112 336				-112 336
Appropriation of result					-46 670	46 670	0
Result for the year						-61 716	-61 716
<b>Closing balance 2020-03-31</b>	<b>47 294 030</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-405 846</b>	<b>-61 716</b>	<b>46 826 468</b>
Opening balance 2020-04-01	47 294 030	0	0	0	-405 846	-61 716	46 826 468
New share issue	133 920						133 920
Shareholder's contributions			0				0
Appropriation of result					-61 716	61 716	0
Result for the year						-6 354 018	-6 354 018
<b>Closing balance 2021-03-31</b>	<b>47 427 950</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-467 562</b>	<b>-6 354 018</b>	<b>40 606 370</b>



## Parent company's cash flow statement

<i>Amount in Euro</i>	<i>2020-04-01</i>	<i>2019-04-01</i>
	<i>2021-03-31</i>	<i>2020-03-31</i>
<b>Operating activities</b>		
Operating profit/loss	-6 354 018	-61 716
Adjustment for items not affecting cash flow	6 258 621	0
<b>Cash flow from operating activities before</b>		
<b>Changes in operating capital</b>	<b>-95 397</b>	<b>-61 716</b>
<i>Cash flow from changes in operating capital</i>		
Increase (-) / Decrease (+) of operating receivables	-34 487	-76 155
Increase (+) / Decrease (-) of operating liabilities	22 620	13 011
<b>Cash flow from operating activities</b>	<b>-107 264</b>	<b>-124 860</b>
<b>Investment activities</b>		
Acquisition of other securities held as fixed assets	0	0
Participation in associated companies	-27 833	0
<b>Cash flow from investment activities</b>	<b>-27 833</b>	<b>0</b>
<b>Financing activities</b>		
New share issue	133 920	243 637
Shareholder contribution	0	-112 336
<b>Cash flow from financing activities</b>	<b>133 920</b>	<b>131 300</b>
<b>Cash flow for the year</b>	<b>-1 176</b>	<b>6 439</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>33 822</b>	<b>27 381</b>
<b>Exchange differences on foreign operations for the year</b>	<b>0</b>	<b>2</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>32 646</b>	<b>33 822</b>

## Notes and accounting principles

*Amount in Euro unless other stated*

### Note 1 Significant accounting principle

#### General

Oil India Sweden AB, corporate identity number 556794-0530 is a Swedish private limited company registered in Stockholm, Sweden. The Company's address is c/o TMF Sweden AB, Sergels Torg 12, 6tr, SE-111 57, Stockholm.

The principal activities of the company, which was incorporated on the 20th November 2009, are to conduct owning of shares in other companies, perform administrative tasks and associate activities.

The consolidated accounts for the financial year 2020-04-01 – 2021-03-31 comprise of the Parent company, the participation in Indoil Netherlands B.V. a joint operation owned and run in partnership with IOC Sweden AB.

#### Summary of key accounting principles

The key accounting principles applied during the preparation of this annual report are presented below.

The accounting currency of the Parent company is Euro and the financial statements are presented in Euro.

Fixed assets and long-term liabilities essentially consist of amounts that are expected to be recovered or paid more than 12 months after the closing day. Current assets and current liabilities essentially consist solely of amounts that are expected to be recovered or paid within 12 months of the closing day.

#### Basis for preparing the reports

The consolidated accounts have been prepared in accordance with the International Financial Reporting Standards (IFRS) published by the International Accounting Standards Boards (IASB), and the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) as approved by the Commission of the European Communities for application in the European Union. RFR 2; Supplementary accounting rules for groups, issued by the Swedish Financial Reporting Board has also been used.

The Parent company has prepared its annual report with exception to IFRS 10:4, which is the same accounting standards as used for the group, apart from when it is stated "accounting standards for the Parent company". Consolidated financial statements has been prepared for Group purposes, despite the fact that requirements as per IFRS 10 has not been fulfilled.

#### Valuation principles applied in the preparation of the financial statements

Assets and liabilities are reported at historical cost, with the exception of certain financial assets and liabilities, which are measured at the fair value or amortized cost.

Financial assets and liabilities measured at fair value consist of financial assets classified as financial assets measured at fair value through profit/loss for the year or financial assets held for sale.

## **Translation of foreign currency**

### Transactions and balance sheet items

Transactions in foreign currencies are translated into functional currency at the exchange rate in force on the transaction date. Monetary assets and liabilities in foreign currencies are translated into the functional currency at the exchange rate in force on the balance sheet date. Exchange rate differences arising from the conversions are recognized in profit/loss for the year. Non-monetary assets and liabilities recognized at the value are converted into the functional currency at the rate in effect at the time of the fair value assessment.

### Group companies

The results and financial position of all group companies that have an operational currency other than the presentation currency, are translated into the group's presentation currency as follows:

Assets and liabilities for each of the consolidated statements of financial position are translated according to the closing day rate.

Income and expenses for each of the income statements are translated according to the average exchange rate.

All translation differences are reported in other comprehensive income.

## **Assessments and estimates in the financial accounts**

Preparation of the financial statements in accordance with IFRS requires management to make assessments, estimations and assumptions that affect the application of the accounting principles and the figures reported for assets, liabilities, income and expenses. The actual outcome may deviate from these estimations that may cause material adjustments to the financial statements of the ensuing year are mainly the valuation of the financial fixed assets.

## **Consolidated financial statements**

Intra-group receivables and liabilities, income or expenses and unrealized gains or losses arising from intra-group transactions between group companies are eliminated in full when preparing the consolidated accounts.

### Joint operations

For accounting purposes, joint operations whereby the parties that have joint control of the operation have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint operations are consolidated in the consolidated accounts in accordance with the proportional method.

The proportional method entails that the proportional part belonging to the group, of the assets for which the group has joint control and the liabilities for which the group has a joint responsibility, are included in the consolidated statement of financial position. The consolidated statement of comprehensive income includes the proportional part belonging to the Group of the income and expenses of the Joint Operations.

### **Operating segments**

The operating segments are organized in a compatible way with the internal financial reporting to the senior management. The senior management is the function who is responsible for allocation of resources and monitoring the financial outcome of the operating segments.

In this group, the board of directors in the parent company has the function as the senior management, making the strategic decisions.

### **Income**

Income encompasses the fair value of what has been received or is expected to be received for sold goods and services in the group's operating activities. Income is reported excluding VAT, returns and discounts and after elimination of intra-group sales.

The group reports income when the amount can be measured in a reliable manner, when it is likely that future economic benefits will accrue to the company.

### **Other operating income**

Costs arising from subordinated activities within the principal operation are presented as the other operating income.

### **Other operating costs**

Costs arising from subordinated activities within the principal operation concerning operational receivables and operational liabilities are presented as other operational costs.

### **Taxes**

The period's tax expense is made up of actual tax expense for the year and changes in the provision for deferred tax liabilities and changes in the presented value of the deferred tax receivables.

The actual tax liability is based on the taxable income for the year. The taxable income diverges from net profit/loss for the year as presented in the income statement, as the taxable income can contain either nontaxable income or non-tax-deductible expenses, that are not deductible in the actual financial year, or taxable or deductible in other years than the actual financial year.

The actual tax liability has been calculated using the tax rates decided upon the balance sheet date.

Deferred tax is the tax as the company expects to pay or receive based on the differences between the presented values of assets and liabilities in the balance sheet and the equivalent taxable values.

Deferred tax assets (receivables) for taxable losses carried forward will only be presented if it is likely to use them in future and only to the expected decreased future tax expenses.



### **Financial assets**

The group classifies its financial assets according to the following categories: financial assets measured at fair value in profit/loss, loan receivables and accounts receivables.

The classification is based on the reason for the purchase of the financial assets.

Financial assets recognized as assets in the consolidated statement of financial position include cash and cash equivalents, accounts receivables, financial investments and derivatives.

Financial assets which are not derivatives are initially recognized at a cost corresponding to the assets fair value including direct expenses. Exceptions are those financial assets recognized at fair value via profits/loss, which are recognized at fair value excluding transaction expenses.

Loan receivables and accounts receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

Loan receivables are measured at the amortized cost, based on the effective interest calculated at the time of acquisition. Accounts receivables are recognized at the amount estimated to be paid after deduction for bad debts. Provision for bad debts is recognized in the operating expenses.

### **Cash and cash equivalents**

Cash and cash equivalents comprise cash and instantly accessible balances at banks and equivalent institutions, as well as current investments with a term from the acquisition date of less than three months which are exposed to only a negligible risk of fluctuation.

### **Financial liabilities**

Financial liabilities are classified as financial liabilities measured at fair value in profit/loss or as financial liabilities measured at the amortized cost.

Accounts payables are obligations to pay for goods or services purchased in the operation from suppliers. Accounts payables are classified as current liabilities when they are due for payment within one year from the balance sheet date. Otherwise they are classified as long-term liabilities.

### **Earnings per share**

The calculation of earnings per share is based on group profit for the year attributable to the Parent company's shareholders and the weighted average number of shares outstanding during the year.

### **Contingent liabilities**

A contingent liability is recognized when there is a possible obligation arising from past events and the existence of which is substantiated only by one or more uncertain future events, or when there is an obligation which is not recognized as a liability or provision because it is not likely that an outflow of resources will be required.

### **Parent company's accounting principles**

The differences between the accounting principles of the Group and the Parent company are due to the restrictions in the Swedish Annual Accounts Act for the use of IFRS in the Parent company and the tax regulations that make it possible to use in other accounting principles in a legal entity than the group accounts.

**Participation in joint operations**

Participation in joint operations is recognized in the Parent company in accordance with the cost method. Write-down of the booked value has been made at the balance sheet date to the equity value corresponding to the part belonging to the company in the joint operation.

**Participation in associated companies**

Participation in associated companies is recognized in the Parent company in accordance with the cost method. The Parent company's part of Net profit and loss in the associated company is recognized in the Profit and Loss statement to a value equal to the percentage holding of the shares in the associated company and in the balance sheet as a current receivable or liability from related party.

**Restricted and non-restricted equity**

In the Parent company's balance sheet, the equity is divided into restricted and non-restricted equity in accordance with the Swedish Annual Accounts Act.

**Note 2 Personnel**

The group has not had any employees during the financial year. Neither salaries nor remunerations have been paid.

<b>The board of directors</b>	<i>2020-04-01</i>	<i>whereof</i>	<i>2019-04-01</i>	<i>whereof</i>
Number of people on the board	<i>2021-03-31</i>	<i>women</i>	<i>2020-03-31</i>	<i>women</i>
<i>Group</i>				
Directors	8	1	8	2
<i>Parent company</i>				
Directors	4	1	4	1

**Note 3 Reporting per segment**

The operating segments are organized in a compatible way with the internal financial reporting to the senior management prepared by the Parent company (Oil India Sweden AB) and the joint operation (Indoil Netherlands) including reports from the joint arrangement involved in Project Carabobo in Venezuela.

<i>2019-04-01 – 2020-03-31</i>	<i>Oil India Sweden</i>	<i>Indoil Netherlands</i>	<i>Other</i>	<i>Total</i>
Secondment income	0	80 440	0	80 440
Operating profit/loss	-50 074	-60 587	0	-110 661
Profit/loss before tax	-61 716	-57 125	0	-118 841
Net profit for the year	-61 716	-57 125	0	-118 841
Assets	46 894 409	53 925 388	0	100 819 797
Whereof intra-group assets	-46 807 172	0	0	-46 807 172
Assets excluding intra-group assets	87 237	53 925 388	0	54 012 625
Liabilities	67 941	1 525 242	0	1 593 183
Whereof intra-group liabilities	0	0	0	0
Liabilities excluding intra-group liabilities	67 941	1 525 242	0	1 593 183
<i>2020-04-01 – 2021-03-31</i>	<i>Oil India Sweden</i>	<i>Indoil Netherlands</i>	<i>Other</i>	<i>Total</i>
Secondment income	0	0	0	0
Operating profit/loss	-76 832	-45 947	0	-122 779
Profit/loss before tax	-6 354 018	-8 930 735	6 258 621	-9 026 132
Net profit for the year	-6 354 018	-8 930 735	6 258 621	-9 026 132
Assets	40 696 931	41 782 538	0	82 479 469
Whereof intra-group assets	-40 598 551	0	0	-40 598 551
Assets excluding intra-group assets	98 380	41 782 538	0	41 880 918
Liabilities	90 561	1 434 027	0	1 524 588
Whereof intra-group liabilities	0	0	0	0
Liabilities excluding intra-group liabilities	90 561	1 434 027	0	1 524 588

**Note 4 Other external expenses**

	<i>Group 2020-04-01 2021-03-31</i>	<i>Group 2019-04-01 2020-03-31</i>	<i>Parent company 2020-04-01 2021-03-31</i>	<i>Parent company 2019-04-01 2020-03-31</i>
Administrative expenses	93 305	166 669	55 067	36 931
Audit fees	12 092	18 213	7 331	7 118
Other expenses	17 382	6 219	14 434	6 025
	122 779	191 101	76 832	50 074

**Note 5 Remuneration to auditors**

	<i>Group</i>	<i>Group</i>	<i>Parent company</i>	<i>Parent company</i>
	<i>2020-04-01</i>	<i>2019-04-01</i>	<i>2020-04-01</i>	<i>2019-04-01</i>
	<i>2021-03-31</i>	<i>2020-03-31</i>	<i>2021-03-31</i>	<i>2020-03-31</i>
Audit assignment, Ernst & Young	7 331	7 118	7 331	7 118
Audit assignment, Londen & Van Holland	0	6 920	0	0
Audit assignment, IAC Audit & Assurance	4 761	0	0	0
Audit assignment, other	0	4 175	0	0
	<u>12 092</u>	<u>18 213</u>	<u>7 331</u>	<u>7 118</u>

**Note 6 Financial items**

	<i>Group</i>	<i>Group</i>	<i>Parent company</i>	<i>Parent company</i>
	<i>2020-04-01</i>	<i>2019-04-01</i>	<i>2020-04-01</i>	<i>2019-04-01</i>
	<i>2021-03-31</i>	<i>2020-03-31</i>	<i>2021-03-31</i>	<i>2020-03-31</i>
<i>Financial income</i>				
Exchange rate gains on financial assets and liabilities	0	4 175	0	165
	<u>0</u>	<u>4 175</u>	<u>0</u>	<u>165</u>
<i>Financial expenses</i>				
Exchange rate losses on financial assets and liabilities	-17 301	0	-3 625	0
Other financial expenses	-8 872 306	-1 727	-6 259 814	-1 179
	<u>-8 889 606</u>	<u>-1 727</u>	<u>-6 263 438</u>	<u>-1 179</u>

**Note 7 Translation differences on foreign operations for the year**

In the joint operation entity, all assets and liabilities expressed in currencies other than US-dollars have been translated at the rates of exchange prevailing at the balance sheet date, except for the investments in participations which are stated at historical rates. All transactions in foreign currencies have been translated into US dollars at the rates of exchange approximating those ruling at the date of the transactions. Resulting exchange differences have been recognized 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 2021: USD 1 = EUR 0.85288 (31 March 2020: EUR 0.90922).

Translation of the above into the consolidated statements for Oil India Sweden AB resulted in significant amount of currency translation reserve.

**Note 8 Fixed assets**

<i>Group</i>	<i>2021-03-31</i>	<i>2020-03-31</i>
<b>Other securities held as fixed assets</b>		
Opening balance	52 399 567	51 328 065
Impairment during the year	-6 258 621	0
Exchange rate adjustment	-5 796 412	1 071 502
Closing balance	<u>40 344 534</u>	<u>52 399 567</u>
<b>Net value at the end of the period</b>	<b>40 344 534</b>	<b>52 399 567</b>

The joint operation Indoil Netherlands B.V. holds 7% of the voting rights as well as the number of shares in Petrocarabobo S.A. Venezuela and 24.2% of the voting rights as well as the number of shares in Carabobo Ingenieria y Construcciones S.A., Venezuela.

**Note 8 Fixed assets - continued**

Indoil Netherlands maintains a non-interest bearing intercompany position with its investment Carabobo Ingenieria y Construcciones S.A. It is the intention that this intercompany position will be converted into capital. No conversion date has been agreed. During the year under review no additional amount has been contributed by the Company.

Due to the political and economic situation in Venezuela it is uncertain if and when the situation in Venezuela will improve in a way that the outcome of the investments in Petrocarabobo S.A. will be met and accordingly as per the valuation report, the value of Investment in Petrocarabobo S.A., is USD 94,607,933 (for Oil India Sweden AB:47,303,966.50 USD), hence impairment has been done for USD 20,654,369 (for Oil India Sweden AB: 10,327,184.50 USD).

Parent company 2021-03-31 2020-03-31

**Investments in associates**

Opening balance	28 281	28 281
Investment	27 833	0
Closing balance	56 114	28 281

**Net value at the end of the period 56 114 28 281**

**Specification of the Parent company's investments in associates**

Associates	Corporate identity no	Participation in %	2020-03-31 Profit/loss for the year	2020-03-31 Total equity	2020-03-31 Booked value
Oil India Cyprus Limited, Cyprus Registered address: Nicosia	HE295721	24%	-44 284	-99 367	
Whereof belongs to Oil India Sweden's part			-10 628	-23 848	28 281
	Corporate identity no	Participation in %	2021-03-31 Profit/loss for the year	2021-03-31 Total equity	2021-03-31 Booked value
Oil India Cyprus Limited, Cyprus Registered address: Nicosia	HE295721	24%	-57 283	-8 577	
Whereof belongs to Oil India Sweden's part			-13 747	-2 058	56 114

Parent company 2021-03-31 2020-03-31

**Participation in joint operation**

Opening and closing balance	46 607 109	46 607 109
Impairment during the year	-6 258 621	0
Closing balance	40 348 488	46 607 109

**Net value at the end of the period 40 348 488 46 607 109**

**Note 8 Fixed assets - continued**

**Specification of the Parent company's participation in joint operation**

Joint operations	Corporate identity no	Participation in %	2020-03-31	2020-03-31	2020-03-31
			Profit/loss for the year	Total equity	Booked value
Indoil Netherlands B.V., Netherlands	34313115	50%	-115 442	104 800 290	
Registered address: Amsterdam					
Whereof belongs to Oil India Sweden's part			-57 721	52 400 145	46 607 109
			2021-03-31	2021-03-31	2021-03-31
			Profit/loss for the year	Total equity	Booked value
Indoil Netherlands B.V., Netherlands	34313115	50%	-17 861 472	80 697 024	
Registered address: Amsterdam					
Whereof belongs to Oil India Sweden's part			-8 930 736	40 348 512	40 348 488

**Note 9 Prepaid expenses and accrued income**

Group	2021-03-31	2020-03-31
Other prepaid expenses	58	4 085
	58	4 085

**Note 10 Equity**

Date	Number of shares	Share capital
2009-11-20 Incorporation	1 000	SEK 100 000
2010-07-07 New share issue	1 373 650	SEK 137 365 000
2011-04-01 Recalculation of share capital to Euro due to change of accounting currency SEK 137 465 000 equal to EUR 15 388 620		EUR 15 388 620
2012-03-27 New share issue (registered 2012-04-10)	1 342 286	EUR 15 026 221
2013-03-28 New share issue (registered 2013-04-24)	617 204	EUR 6 909 290
2014-03-28 New share issue (registered 2014-04-22)	344 263	EUR 3 853 852
2015-03-20 New share issue (registered 2015-03-30)	432 869	EUR 4 845 752
2016-03-31 New share issue (registered 2016-04-21)	77 776	EUR 870 663
2018-03-31 New share issue (registered 2018-04-18)	13 935	EUR 155 995
2020-01-20 New share issue (registered 2020-04-08)	21 764	EUR 243 637
2021-02-01 New share issue (registered 2021-03-03)	11 963	EUR 133 920
<b>Total March 31, 2021</b>	<b>4 236 710</b>	<b>EUR 47 427 950</b>
Average number of shares financial year 2020-04-01 – 2021-03-31	4 226 681	
Average number of shares financial year 2019-04-01 – 2020-03-31	4 207 205	
Average number of shares financial year 2018-04-01 – 2019-03-31	4 202 983	
Average number of shares financial year 2017-04-01 – 2018-03-31	4 202 983	
Average number of shares financial year 2016-04-01 – 2017-03-31	4 189 048	
Average number of shares financial year 2015-01-01 – 2016-03-31	4 102 418	
Average number of shares financial year 2014-04-01 – 2015-03-31	3 692 634	
Average number of shares financial year 2013-04-01 – 2014-03-31	3 336 970	
Average number of shares financial year 2012-04-01 – 2013-03-31	2 722 009	
Average number of shares financial year 2011-04-01 – 2012-03-31	1 389 360	

**Note 11 Accrued expenses and prepaid income**

	<i>Group</i>	<i>Group</i>	<i>Parent company</i>	<i>Parent company</i>
	<i>2021-03-31</i>	<i>2020-03-31</i>	<i>2021-03-31</i>	<i>2020-03-31</i>
Accrued audit fees	14 586	17 827	7 325	6 780
Accrued accounting fees	15 251	4 298	15 251	1 808
Other accrued expenses	9 143	5 526	3 663	2 260
	<u>38 979</u>	<u>27 651</u>	<u>26 239</u>	<u>10 849</u>

**Note 12 Transactions with related parties**

Oil India Sweden AB is a wholly-owned subsidiary to Oil India Limited.  
 The company is related with its parent company, the joint operation Indoil Netherlands B.V. and Oil India Cyprus Ltd.  
 No purchases or sales have been made within the group.

Indoil Netherlands B.V. entered into a Secondment Agreement with effective date 21 January 2011. It was agreed to second certain personal from the Company or its affiliates to Carabobo Ingenieria y Construcciones, S.A.. For this purpose, Indoil Netherlands B.V. raised invoices for manpower cost to Carabobo Ingenieria y Construcciones, S.A. for the period 1 April 2019 till 31 March 2020 in amount of USD 178 788. During the year 1 April 2020 to 31 March 2021, this Secondment Agreement has been discontinued.

In respect to general and administrative expenses, the Indoil Netherlands B.V. entered into Secondment Agreement with effective date 21 January 2011. It was agreed to second certain personnel from ultimate shareholders of Indoil Netherlands B.V. to Indoil Netherlands B.V. For this purpose, Indoil Netherlands B.V. received invoices for manpower cost for the period 1 April 2019 till 31 March 2020 in amount of USD 178 340. During the year 1 April 2020 to 31 March 2021, this Secondment Agreement has been discontinued.

Transactions with related parties.

	<i>Group</i>	<i>Group</i>	<i>Parent company</i>	<i>Parent company</i>
	<i>2021-03-31</i>	<i>2020-03-31</i>	<i>2021-03-31</i>	<i>2020-03-31</i>
Secondment income	0	80 440	0	0
Secondment expenses	0	-80 239	0	0
Translation differences on foreign operations	-3 170 898	1 067 164	0	0
Receivables from Oil India Cyprus Ltd	9 621	25 134	9 621	25 134
Liabilities to Oil India Cyprus Ltd	-58 548	-44 801	-58 548	-44 801
<i>Group</i>	<i>2021-03-31</i>	<i>2020-03-31</i>		
Receivable Carabobo Ingenieria y Construcciones, S.A.	1 412 832	1 506 170		
Liabilities to Oil India Limited	-999 126	-1 065 133		
Liabilities to Indian Oil Corporation Limited	-410 267	-437 371		
<i>Parent company</i>	<i>2021-03-31</i>	<i>2020-03-31</i>		
Receivables from Indoil Netherlands B.V.	250 063	200 063		

**Note 13 Consolidated pledged assets and contingent liabilities**

<i>Amount in Euro</i>	<i>2021-03-31</i>	<i>2020-03-31</i>
<b>Pledged assets</b>	None	None
<b>Contingent liabilities</b>	48 507 463	51 712 056

To be able to participate in Petrocarabobo S.A. the Indoil Netherlands B.V. entered into a Signature Bonus agreement for a total amount of USD 183,750,000 to be paid to the Republic of Venezuela, (USD 91 875 000 for Oil India Sweden AB). Total amount of USD 70,000,000 has been paid as at 31 March 2021. The payment of the remainder amount is based on the achievement of the following milestones:

- USD 3,500,000 shall be paid within 15 calendar days following the earlier of the following events: (i) the date on which Petrocarabobo S.A. notifies its shareholders that it has completed its first delivery of hydrocarbons, (ii) the starting date of Phase 3 of the Project.
- USD 36,750,000 shall be paid within 15 calendar days following the starting date of Phase 3 of the Project.
- USD 36,750,000 shall be paid within 15 calendar days following the first anniversary of the starting date of Phase 3 of the Project; and
- USD 36,750,000 shall be paid within 15 calendar days following the second anniversary of the starting date of Phase 3 of the Project.

Due to the political and economic situation in Venezuela it is uncertain if and when the situation in Venezuela will improve in a way that the outcome of the investments in Petrocarabobo S.A. will be met. To safeguard the company, the ultimate parent company, Indian Oil Corporation and Oil India Limited, guarantees the investments in Petrocarabobo S.A. under the signature bonus agreement. As it is uncertain when and if above mentioned milestones will be met, the Company report these amounts as contingent liabilities (in the consolidated statements).



**Note 14 Financial risk**

The Group's main exposure to financial risk consists of currency risk, liquidity and financing risk and interests.

*Currency risk*

The consolidated statement of comprehensive income is effected by exchange rate exposure when the joint operation's income statement is translated into SEK. The consolidated equity is also affected by exchange rate exposure when the net assets in the joint operation are translated into SEK.

Oil India Sweden AB has, with start from the beginning of financial year 2011/2012, changed its accounting currency to Euro, to decrease the risk of exchange rate fluctuations affecting the profit/loss for the year.

*Liquidity and financing risk*

Liquidity and financing risk refers to the fact that Oil India Sweden AB cannot meet its payment obligations due to insufficient liquidity or difficulties in raising new loans.

The activities of the group are fully financed by capital injections from the parent company Oil India Limited.

The principal activity of the group is to, through the joint operation Indoil Netherlands B.V., invest in joint arrangement with activities in Project Carabobo, Venezuela. The project will require additional financing, which will be fully covered by the parent company.

*Interest risk*

The group's revenues and operating cash flow are in all essentially not affected by interest rate adjustments due to the condition of the market.

**Note 15 Significant events after the financial year**

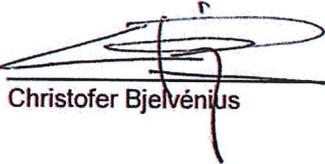
*Impact of COVID 19 on the operations of Venezuela*

The recent outbreak of the pandemic Coronavirus, has negatively affected economic conditions regionally as well as globally, disrupt operations situated in countries particularly exposed to the contagion. Since, the company is fully equity funded, it is reliant on support from its Parent company to continue as a going concern. The ultimate severity of the Coronavirus outbreak is uncertain at the time and therefore the Company cannot reasonably estimate the impact it may have on the investments' end markets and its operations. In order to safeguard the health of workers due to pandemic Coronavirus across the world, all activities have been suspended in Venezuela.

Stockholm, on April 22, 2021

\_\_\_\_\_  
Roy Biswajit  
*Chairman of the board*

\_\_\_\_\_  
Biswabrata Lahkar

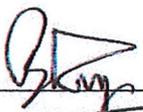
  
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Christofer Bjelvénius

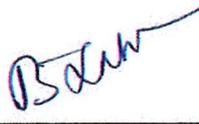
  
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Pavel Teplykh

My audit report was issued on .....

Stefan Andersson Berglund  
*Authorized public accountant*

Stockholm, on April 22, 2021

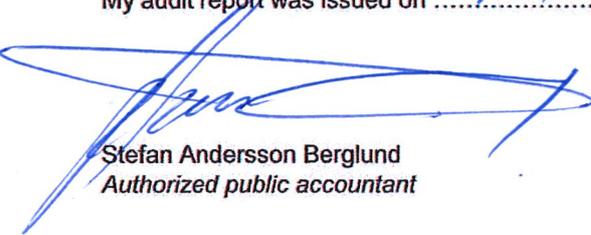
  
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Roy Biswajit  
Chairman of the board

  
\_\_\_\_\_  
Biswabrata Lahkar

\_\_\_\_\_  
Christofer Bjelvénius

\_\_\_\_\_  
Pavel Teplykh

My audit report was issued on April 22, 2021

  
\_\_\_\_\_  
Stefan Andersson Berglund  
Authorized public accountant

✓



Building a better  
working world

## Auditor's report to the Group Management on the audit for group consolidation purposes

Name of component: Oil India Sweden AB

Corporate identity number: 556794-0530

Year end: 31 March 2021

Currency: EUR

To: The Group Management of Oil India Limited,

As requested by management of Oil India Limited, I have audited, for the purpose of your audit of the group financial statements of Oil India Limited, the accompanying special purpose financial information of Oil India Limited. The component, a subsidiary of Oil India Limited as of 31 March 2021 and for the year then ended. The special purpose financial information has been prepared solely to enable Oil India Limited to prepare group financial statements.

The special purpose financial information comprises:

1. the balance sheet as at 31 March 2021;
2. the profit and loss account and cash flow for the year ended 31 March 2021; and
3. the notes comprising a summary of the accounting policies and other explanatory information.

### *Opinion*

I have audited the special purpose financial information of Oil India Sweden AB for the financial year 2020-04-01—2021-03-31.

In my opinion, the accompanying the special purpose financial information for Oil India Sweden AB as of 31 March 2020 and for the period then ended have been prepared, in all material respects, in accordance with the International Financial Reporting Standards (IFRS), as adopted by the EU, with exception to IFRS 10 §4 as per group instructions.

### *Basis for Opinion*

I conducted my audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the *Auditor's Responsibilities* section. I am independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### *Emphasis of matter regarding contingent liabilities*

I would like to draw attention to note 13 in the special purpose financial information which describes the movements linked to investment in Petrocarabobo S.A., Venezuela, as per 31 March 2021. The note shows that, in view of the current political and economic situation in Venezuela, there is considerable uncertainty as to and when the situation in the country will improve in such a way that the outcome of the investment in Petrocarabobo S.A. is expected to be met. In order to secure the investment for the company, the ultimate parent companies, Indian Oil Corporation Limited and Oil India Limited, have exhibited a guarantee regarding the investment in Petrocarabobo S.A. and the Signaturbonus agreement. I have not modified my opinion because of this.

### *Management's responsibility for the accompanying financial statements*

Management is responsible for the preparation and presentation of the accompanying financial statements in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, with exception to IFRS 10 §4 as per group instructions, and for such internal control as management determines is necessary to enable the preparation of the accompanying financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's responsibility*

My responsibility is to express an opinion on the accompanying financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing. International Standards on Auditing require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the accompanying financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amount and disclosures in the accompanying financial statements. The procedures selected depend on my judgment, including the assessment of the risks of material misstatement of the accompanying financial statements, whether due to fraud or error. In making those risk assessments, I consider internal control relevant to the component's preparation and presentation of the accompanying 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 component's internal control. An audit also includes the evaluation of the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the accompanying financial statements.

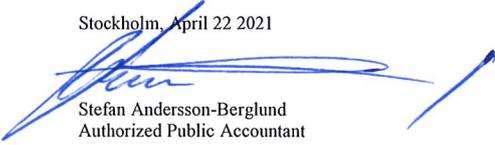
I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### *Restriction on Use and Distribution*

The accompanying financial statements have been prepared for purposes of providing information to Oil India Limited to enable it to prepare the group financial statements. As a result, the accompanying financial statements are not a complete set of financial statements of Oil India Sweden AB in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU and are not intended to present fairly, in all material respects (or to give a true and fair view of) the financial position of Oil India Sweden AB as of 31 March 2020 and of its financial performance, and its cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU. The accompanying financial statements may, therefore, not be suitable for another purpose.

This report is intended solely for the information and use of the group management in conjunction with the preparation of the group financial statements of Indian Oil Company Limited and should not be used by or distributed to, anyone for any other purpose. If you have any questions on this report, please contact me.

Stockholm, April 22 2021

A handwritten signature in blue ink, appearing to read 'Stefan', is written over a horizontal line. A blue pen nib is visible to the right of the signature.

Stefan Andersson-Berglund  
Authorized Public Accountant