

Oil India Sweden AB

Annual report

For

Oil India Sweden AB

556794-0530

Financial year

2017 04 01 . 2018 03 31

The Board of Directors of Oil India Sweden AB hereby submits the annual report for the financial year 2017-04-01 . 2018-03-31, the Company's eighth financial year.

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.

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.

Events of importance during the financial year

The Company has during the financial year made investments in Indoil Netherlands to an amount of 70KEUR, 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 89,5KEUR. The contributions of 2016 and 2017 are currently will be used as capital increase. Currently the proposal is in the Chamber of Commerce from Sweden waiting for their approval.

Multi-year overview

Amount in K euro (consolidated)	2017 04 01	2016 04 01	2015 04 01	2014 04 01	2013 04 01
	2018 03 31	2017 03 31	2016 03 31	2015 03 31	2014 03 31
Net turnover	169	361	336	2 242	-
Result after fin. costs	-89	-77	-79	-76	-86
Balance sheet total	48 021	55 098	51 626	55 045	37 590
Equity/assets ratio (%)	97,4%	97,9%	98,5%	95,7%	99,9%

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	-326 197
Net profit for the year	<u>-32 978</u>
	-359 175
Proposed allocation of disposable result	
Losses carried forward	<u>-359 175</u>
Total	-359 175

Consolidated statement of comprehensive income

<i>Amount in Euro</i>	<i>Note</i>	<i>2017 04 01 2018 03 31</i>	<i>2016 04 01 2017 03 31</i>
Secondment income	14	168 693	361 238
Total operating income		168 693	361 238
<i>Operating expenses</i>			
Other external expenses	3,4,14	-236 318	-438 561
Operating profit/loss	5	-67 626	-77 323
<i>Financial items</i>			
Result from participation in associated companies		-5 850	-5 159
Other financial income		-	6 344
Financial expenses	7	-15 179	-888
Net financial items		-21 029	297
Net profit/loss for the year		-88 654	-77 026
Earnings per share (Euro)		-0,02	-0,02
Other comprehensive income/expenses			
Translation differences on foreign operations for the year	15	-7 121 960	3 077 157
Total comprehensive income/expenses		-7 121 960	3 077 157
Total comprehensive profit/loss for the year		-7 210 614	3 000 131

Consolidated statement of financial position

<i>Amount in Euro</i>	<i>Note</i>	<i>2018 03 31</i>	<i>2017 03 31</i>
ASSETS			
Fixed assets			
Financial fixed assets			
Other securities held as fixed assets	9	46 805 126	53 930 500
Shares in associated companies	10	25 160	17 094
Total fixed assets		46 830 286	53 947 594
Current assets			
Receivable, associated company	14	1 156 331	1 144 021
Prepaid expenses and accrued income	11	3 650	3 622
Cash and cash equivalents		30 270	2 351
Total current assets		1 190 251	1 149 994
TOTAL ASSETS		48 020 537	55 097 588

Consolidated statement of financial position

<i>Amount in Euro</i>	<i>Note</i>	<i>2018 03 31</i>	<i>2017 03 31</i>
EQUITY AND LIABILITIES			
Equity			
Share capital	12	46 894 398	46 894 398
Issued share capital under registration		155 995	-
Shareholders' contributions		-	66 500
Translation difference		487 927	7 609 886
Unrestricted reserves		-654 084	-577 057
Net/profit for the year		-88 654	-77 026
Total equity		46 795 582	53 916 701
Current liabilities			
Liabilities to related parties	14	1 174 906	1 148 668
Accounts payable		25 455	369
Accrued expenses and prepaid income	13	24 593	31 850
		1 224 954	1 180 887
TOTAL EQUITY AND LIABILITIES		48 020 537	55 097 588

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Consolidated statement of changes in equity

	Share capital	Issued Share capital under registration	Share premium reserve	Translation difference	Retained earnings and profit for the year	Total equity
Opening balance 2016-04-01	46 023 735	870 663	-	4 532 729	-577 057	50 850 070
New share issue registered	870 663	-870 663	-	-	-	-
Shareholders' contributions	-	-	66 500	-	-	66 500
New share issue	-	-	-	-	-	-
Total comprehensive profit for the year	-	-	-	3 077 157	-77 026	3 000 131
Closing balance 2017-03-31	46 894 398	-	66 500	7 609 886	-654 083	53 916 701
Opening balance 2017-04-01	46 894 398	-	66 500	7 609 886	-654 083	53 916 701
New share issue registered	-	-	-	-	-	-
Shareholders' contributions	-	-	-	-	-	-
New share issue	-	155 995	-66 500	-	-	89 495
Total comprehensive profit for the year	-	-	-	-7 121 960	-88 654	-7 210 614
Closing balance 2018-03-31	46 894 398	155 995	-	487 926	-742 737	46 795 582

Consolidated cash flow statement

<i>Amount in Euro</i>	<i>2017 04 01 2018 03 31</i>	<i>2016 04 01 2017 03 31</i>
Operating activities		
Net profit/loss	-88 654	-77 026
Adjustment for items not affecting cash flow	-	-
Cash flow from operating activities before changes in operating capital	-88 654	-77 026
<i>Cash flow from changes in operating capital</i>		
Increase(-)/Decrease(+) of operating receivables	13 906	-396 524
Increase(+)/Decrease(-) of operating liabilities	46 112	405 155
Cash flow from operating activities	-28 636	-68 395
Investment activities		
Acquisition of other securities held as fixed assets	-	-
Participation in associated companies	-	-
Cash flow from investment activities	-	-
Financing activities		
New share issue	155 995	-
Share premium reserve	-66 500	66 500
Cash flow from financing activities	89 495	66 500
Cash flow for the year	60 859	-1 895
Cash and cash equivalents at the beginning of the year	2 351	18 920
Translation differences on foreign operations for the year	-24 875	-14 674
Cash and cash equivalents at the end of the year	38 336	2 351

Parent company's income statement

<i>Amounts in Euro</i>	<i>Note</i>	<i>2017 04 01 2018 03 31</i>	<i>2016 04 01 2017 03 31</i>
Net sales		-	-
Total operating income		-	-
<i>Operating expenses</i>			
Other external expenses	3,4	-26 437	-28 720
Operating profit/loss	5	-26 437	-28 720
<i>Financial items</i>			
Profit/loss from participation in joint operations	6	-	-
Result from participation in associated companies		-5 850	-5 158
Other financial income		28	1 119
Interest expenses and similar items	7	-719	-483
Net financial items		-6 541	-4 522
Net profit/loss for the year		-32 978	-33 242

Parent company's balance sheet

<i>Amounts in Euro</i>	<i>Note</i>	<i>2018 03 31</i>	<i>2017 03 31</i>
ASSETS			
Fixed assets			
Financial fixed assets			
Participation in associated companies	10	25 160	17 094
Participation in joint operations	9	46 607 110	46 607 110
Total financial fixed assets		46 632 269	46 624 204
Total fixed assets		46 632 269	46 624 204
Current assets			
Receivables from related parties	14	102 434	29 313
Cash and cash equivalents		16 029	-100
Total current assets		118 463	29 213
TOTAL ASSETS		46 750 732	46 653 417

Parent company's balance sheet

<i>Amounts in Euro</i>	<i>Note</i>	<i>2018 03 31</i>	<i>2017 03 31</i>
EQUITY AND LIABILITIES			
Equity	12		
<i>Restricted equity</i>			
Share capital		46 894 398	46 894 398
Issued share capital under registration		155 995	-
Shareholders' contributions		-	66 500
<i>Non-restricted equity</i>			
Profit/loss carried forward		-326 199	-292 955
Net/profit for the year		-32 978	-33 242
Total equity		46 691 217	46 634 701
Current liabilities			
Liabilities to related parties	14	24 498	7 457
Accounts payable		25 455	369
Accrued expenses and prepaid income	13	9 561	10 890
		59 515	18 719
TOTAL EQUITY AND LIABILITIES		46 750 732	46 653 417

Parent company's changes in equity

	Share capital	Issued Share capital under registration	Share premium reserve	Retained earnings and profit for the year	Total equity
Opening balance 2016-04-01	46 023 735	870 663	-	-292 955	46 601 443
New share issue registered	870 663	-870 663	-	-	-
Shareholder's contributions	-	-	66 500	-	66 500
New share issue	-	-	-	-	-
New profit for the year	-	-	-	-33 242	-33 242
Closing balance 2017-03-31	46 894 398	-	66 500	-326 197	46 634 701
Opening balance 2017-04-01	46 894 398	-	66 500	-326 197	46 634 701
New share issue registered	-	-	-	-	-
Shareholder's contributions	-	-	-	-	-
New share issue	-	155 995	-66 500	-	89 495
New profit for the year	-	-	-	-32 978	-32 978
Closing balance 2017-03-31	46 894 398	155 995	-	-359 175	46 691 218

Parent company's cash flow statement

<i>Amounts in Euro</i>	<i>2017 04 01 2018 03 31</i>	<i>2016 04 01 2017 03 31</i>
Operating activities		
Net profit/loss	-32 978	-33 242
Adjustment for items not affecting cash flow		
- Write-down of participation in joint operations	-	-
Cash flow from operating activities before changes in operating capital	-32 978	-33 242
<i>Cash flow from changes in operating capital</i>		
Increase(-)/Decrease(+) of operating receivables	-73 120	-29 313
Increase(+)/Decrease(-) of operating liabilities	40 796	- 9 895
Cash flow from operating activities	-65 302	-72 450
Investment activities		
Participation in associated companies	-	-
Acquisition of other securities held as fixed assets	-	-
Cash flow from investment activities	-	-
Financing activities		
New share issue	155 995	-
Share premium reserve	-66 500	66 500
Cash flow from financing activities	89 495	66 500
Cash flow for the year	24 193	-5 950
Cash and cash equivalents at the beginning of the year	-100	5 850
Cash and cash equivalents at the end of the year	24 095	-100

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 2017-04-01 . 2018-03-31 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 in accordance with the Swedish Financial Reporting Board's standard RFR 2.3, the same accounting standards as used for the group, apart from when it is stated ~~the~~ accounting standards for the Parent company. The difference between the accounting principles for the group and the parent company are due to the fact that there are restrictions regarding the use of IFRS in the parent company regulated in the Swedish Annual Accounts Act or in some cases due to tax reasons.

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

Joint arrangements

For accounting purposes, joint operations whereby the parties that have joint control of the operations 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.

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.

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

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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.

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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 operation 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 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	-326 197
Net profit for the year	<u>-32 978</u>
	-359 175

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Proposed allocation of disposable result

Losses carried forward

-359 175

Total

-359 175

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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>2016-04-01 – 2017-03-31</i>	<i>Oil India Sweden</i>	<i>Indoil Netherlands</i>	<i>Other</i>	<i>Total</i>
Net sales	-	361 238	-	361 238
Operating profit/loss	-28 720	-48 603	-	-77 323
Profit/loss before tax	-33 242	-43 784	-	-77 026
Net profit for the year	-33 242	-43 784	-	-77 026
Assets	46 653 417	55 080 595	-	101 734 012
Whereof intra-group assets	-46 636 424	-	-	-46 636 424
Assets excluding intra-group assets	16 993	55 080 595	-	55 097 588
Liabilities	18 716	1 162 171	-	1 180 887
Whereof intra-group liabilities	-	-	-	-
Liabilities excluding intra-group liabilities	18 716	1 162 171	-	1 180 887
<i>2017-04-01 – 2018-03-31</i>	<i>Oil India Sweden</i>	<i>Indoil Netherlands</i>	<i>Other</i>	<i>Total</i>
Net sales	-	168 693	-	168 693
Operating profit/loss	-26 437	-41 189	-	-67 626
Profit/loss before tax	-32 978	-55 676	-	-88 576
Net profit for the year	-32 978	-55 676	-	-88 576
Assets	46 750 732	47 976 227	-	94 726 959
Whereof intra-group assets	-46 734 703	-1 153 210	-	-47 887 913
Assets excluding intra-group assets	16 029	46 826 017	-	46 842 046
Liabilities	59 515	1 165 439	-	1 224 954
Whereof intra-group liabilities	-	-	-	-
Liabilities excluding intra-group liabilities	24 498	15 032	-	39 530

Note 4 Other external expenses

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	<i>Group</i>	<i>Group</i>	<i>Parent</i>	<i>Parent</i>
	<i>2017-04-01</i>	<i>2016-04-01</i>	<i>company</i>	<i>company</i>
	<i>2018-03-31</i>	<i>2017-03-31</i>	<i>2017-04-01</i>	<i>2016-04-01</i>
			<i>2018-03-31</i>	<i>2017-03-31</i>
Administrative expenses	29 321	45 405	4 042	4 670
Audit fees	14 642	16 906	5 427	7 816
Other expenses	192 355	376 250	16 968	16 234
	<u>236 318</u>	<u>438 561</u>	<u>26 437</u>	<u>28 720</u>

Note 5 Remuneration to auditors

	<i>Group</i>	<i>Group</i>	<i>Parent</i>	<i>Parent</i>
	<i>2017-04-01</i>	<i>2016-04-01</i>	<i>company</i>	<i>company</i>
	<i>2018-03-31</i>	<i>2017-03-31</i>	<i>2017-04-01</i>	<i>2016-04-01</i>
			<i>2018-03-31</i>	<i>2017-03-31</i>
Audit assignment, Ernst & Young	6 077	7 816	6 077	7 816
Audit assignment, Londen & Van Holland	8 759	4 499	-	-
Audit assignment, others		4 591	-	-
	<u>14 836</u>	<u>16 906</u>	<u>6 077</u>	<u>7 816</u>

Note 6 Personnel

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

The board of directors	<i>2017 04 01</i>	<i>whereof</i>	<i>2016 04 01</i>	<i>whereof</i>
<i>Number of persons in the board</i>	<i>2018 03 31</i>	<i>women</i>	<i>2017 03 31</i>	<i>women</i>
Parent company				
Directors	4	2	4	2
The group				
Directors	8	2	8	2

Note 7 Financial expenses

	<i>Group</i>	<i>Group</i>	<i>Parent</i>	<i>Parent</i>
	<i>2017-04-01</i>	<i>2016-04-01</i>	<i>company</i>	<i>company</i>
	<i>2018-03-31</i>	<i>2017-03-31</i>	<i>2017-04-01</i>	<i>2016-04-01</i>
			<i>2018-03-31</i>	<i>2017-03-31</i>
Exchange rate losses on financial assets and liabilities	-1 277	-	-719	-
Other financial expenses	-13 902	888	28	483
	<u>-15 179</u>	<u>888</u>	<u>-691</u>	<u>483</u>

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Note 8 Other securities held as fixed assets

	2018 03 31	2017 03 31
<i>Group</i>		
Opening balance	53 947 594	50 874 683
Investment	-	-
Exchange rate adjustment	-7 121 960	3 072 911
Closing balance	46 825 634	53 947 594
Net value at the end of the period	46 825 634	53 947 594

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.

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.

Note 9 Participation in joint operation

	2018 03 31	2017 03 31
<i>Parent company</i>		
Opening balance	46 607 110	46 607 110
Investment	-	-
Reversal of write-down	-	-
Closing balance	46 607 110	46 607 110
Net value at the end of the period	46 607 110	46 607 110

Specification of the Parent company's participation in joint operation

<i>Subsidiaries</i>	<i>Corporate identity no</i>	<i>Participation in %</i>	<i>2017-2018 Profit/loss for the year</i>	<i>2018-03-31 Total equity</i>	<i>2018-03-31 Net value</i>
Indoil Netherlands B.V., Netherlands Registered address: Amsterdam Whereof belongs to Oil India Swedens part	34 313 115	50%	-111 353	93 621 576	46 606 709
			-55 676	46 810 788	46 606 709

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Note 10	Investments in associates	<i>2018 03 31</i>	<i>2017 03 31</i>
<hr/>			
<i>Mother company</i>			
	Incoming balance	17 094	17 094
	Investments . contribution during year	8 606	-
	Closing balance	<hr/> 25 160	<hr/> 17 094
	Net amount at the end of the period	25 160	17 094

Specification of Parent Company's holdings in associated companies

<i>Associated companies</i>	<i>Corporate identity no</i>	<i>Participation in %</i>	<i>2017-2018 Profit/loss for the year</i>	<i>2018-03-31 Total equity</i>	<i>2018-03-31 Net value</i>
<hr/>					
Oil India Cyprus Ltd, Säte: Nicosia, Cypem	HE295721	24%	-24 373	12 201	
Registered address: Amsterdam Whereof belongs to Oil India Sweden: part			-5 849	3 120	25 160

Note 11 **Prepaid expenses and accrued income**

	<i>2018 03 31</i>	<i>2017 03 31</i>
<hr/>		
<i>Group</i>		
Other prepaid expenses	3 650	3 622
	<hr/> 3 650	<hr/> 3 622

Note 12 **Equity**

<i>Date</i>		<i>Number of shares</i>	<i>Share capital</i>
<hr/>			
2009-11-20	Incorporation	1 000	SEK 100 000
2010-07-07	New share issue	1 373 650	SEK 137 365 000
	Total March 31, 2011	1 374 650	SEK 137 465 000
2011-04-01	Recalculation of share capital to Euro due to change of accounting currency		Euro 15 388 619,60
2012-03-27	New share issue (registered 2012-04-10)	1 342 286	Euro 15 026 220,63
	Total March 31, 2012	2 716 936	30 414 840,23
2013-03-28	New share issue (registered 2013-04-24)	617 204	Euro 6 909 290,18
	Total March 31, 2013	3 334 140	37 324 130,41
2014-03-28	New share issue (registered 2014-04-22)	344 263	Euro 3 853 852,15
	Total March 31, 2014	3 678 403	41 177 982,56

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2015-03-20	New share issue (registered 2015-03-20) <i>Total March 31, 2015</i>	432 869 4 111 272	Euro	4 845 752,02 46 023 734,58
2016-03-31	New share issue (registered 2016-04-21) <i>Total March 31, 2016</i>	77 776 4 189 048	Euro	870 663,43 46 894 398,02
2018-03-31	New share issue (registered 2018-04-18) <i>Total March 31, 2018</i>	13 935 4 202 983	Euro	155 995,36 47 050 393,37
	<i>Total March 31, 2018</i>	4 202 983		47 050 393,37
	<i>Average number of shares financial year 2017-04-01 – 2018-03-31</i>	4 202 983		
	<i>Average number of shares financial year 2016-04-01 – 2017-03-31</i>	4 189 048		
	<i>Average number of shares financial year 2015-04-01 – 2016-03-31</i>	4 102 418		
	<i>Average number of shares financial year 2014-04-01 – 2015-03-31</i>	3 692 634		
	<i>Average number of shares financial year 2013-04-01 – 2014-03-31</i>	3 336 970		
	<i>Average number of shares financial year 2012-04-01 – 2013-03-31</i>	2 722 009		
	<i>Average number of shares financial year 2011-04-01 – 2012-03-31</i>	1 389 360		

Note 13 Accrued expenses and prepaid income

	<i>Group</i> <i>2018-03-31</i>	<i>Group</i> <i>2017-03-31</i>	<i>Parent</i> <i>company</i> <i>2018-03-31</i>	<i>Parent</i> <i>company</i> <i>2017-03-31</i>
Accrued audit fees	14 792	16 906	6 077	7 233
Accrued accounting fees	9 143	3 898	1 053	1 357
Other accrued expenses	3 818	10 678	2 431	2 300
	<u>27 752</u>	<u>31 850</u>	<u>9 561</u>	<u>10 890</u>

Note 14 Transactions with related parties

Oil India Sweden AB is a wholly-owned subsidiary to Indian Oil India Limited.

The company is related with its parent company and the joint operation Indoil Netherlands B.V.

No purchases or sales have been made within the group.

Transactions with related parties

<i>Parent company</i>	<i>2018 03 31</i>	<i>2017 03 31</i>
Receivables from Indoil Netherlands BV	99 313	29 313
Receivables from Oil India Cyprus Ltd	3 120	-
Liabilities to related parties . Oil India Cyprus Ltd	24 493	7 457

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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 2017 till 31 March 2018 in amount of USD 394 851.

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 a total amount of USD 393 956 in the year 2017/2018.

<i>Group</i>	<i>2018 03 31</i>	<i>2017 03 31</i>
Receivable from Carabobo Ingenieria y Construcciones, S.A.	1 153 210	1 144 021
Liabilities to foreign group company	-1 150 407	-1 141 211

<i>Group</i>	<i>2018 03 31</i>	<i>2017 03 31</i>
Secondment income	168 693	361 238
Secondment expenses	-209 881	-409 841

Note 15 Consolidated pledged assets and contingent liabilities

<i>Amount in Euro</i>	<i>Note</i>	<i>2018 03 31</i>	<i>2017 03 31</i>
Pledged assets		None	None
Contingent liabilities		53 340 000	53 233 844

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 IOC Sweden AB). Total amount of USD 70,000,000 has been paid as at 31 March 2017. 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.

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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 16 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 2018: USD 1 = EUR 0.81215 (31 March 2017: EUR 0.93579).

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

<i>Group</i>	<i>2018 03 31</i>	<i>2017 03 31</i>
Translation differences on foreign operations for the year	- 7 121 960	3 077 157

Note 17 Significant events after closing

There are no significant events after year end closing.

Note 18 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

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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 arrangements 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.

Stockholm, on 2018-03-31

Rupshikha Saikia Borah
Chairperson

Michael Seligman

Anna-Maria Zowal

My audit report was issued on 2018-03-31 ..

Stefan Andersson Berglund
Authorized public accountant