

BPRL VENTURES B.V.
Amsterdam, The Netherlands

FINANCIAL STATEMENTS
For the year ended 31 March 2020

Entry number in the trade register of the Dutch Chamber of Commerce : 34 298 168

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Balance sheet as at 31 March 2020

(after appropriation of result for the year)

restated

	Notes	31 March 2020	31 March 2019
		USD	USD
ASSETS			
NON CURRENT ASSETS			
Financial fixed assets			
Investments	1	101,828,885	32,663,384
Loans	2	274,857,955	274,857,955
Total financial fixed assets		<u>376,686,840</u>	<u>307,521,339</u>
CURRENT ASSETS			
Accounts receivable	3	2,355,700	488,543
Cash and cash equivalents	4	723,481	28,480
Total current assets		<u>3,079,181</u>	<u>517,023</u>
TOTAL ASSETS		<u>379,766,021</u>	<u>308,038,362</u>
EQUITY			
Issued and paid-up capital	5	252,277,796	252,300,252
Translation reserve		49,102,312	49,079,855
Accumulated results		(683,173,368)	(631,605,284)
Total shareholder's equity		<u>(381,793,261)</u>	<u>(330,225,177)</u>
LONG TERM LIABILITIES			
Payable to shareholder	6	761,251,232	638,099,328
Total long term liabilities		<u>761,251,232</u>	<u>638,099,328</u>
CURRENT LIABILITIES			
Accounts payable	7	308,050	164,211
Total current liabilities		<u>308,050</u>	<u>164,211</u>
TOTAL EQUITY & LIABILITIES		<u>379,766,021</u>	<u>308,038,362</u>

Profit and loss account for the year ended 31 March 2020

	Notes	1 April 2019 to 31 March 2020	1 April 2018 to 31 March 2019
		USD	USD
Operating income			
Other income		1,633,313	286,481
Total operating income		<u>1,633,313</u>	<u>286,481</u>
Operating expenses			
Management and administrative expenses		(13,387)	(13,091)
Legal and corporate expenses		(16,055)	(4,587)
Bank charges		(3,770)	(4,422)
Salary expenses of General Director IBV		(67,167)	(62,474)
Accounting charges		-	(1,310)
Professional expenses		(7,495)	(2,472)
Total operating expenses		<u>(107,874)</u>	<u>(88,356)</u>
Financial income & expenses			
Interest on loan		(32,748,405)	(29,956,635)
Interest bank		198	863
Exchange result		1,010	2,501
Total financial income and expenses		<u>(32,747,197)</u>	<u>(29,953,271)</u>
Profit/(Loss) before tax		<u>(31,221,758)</u>	<u>(29,755,146)</u>
Tax on income	8	-	-
Share of result from investments		(20,346,325)	(42,135,485)
Net Profit/(Loss) after tax		<u>(51,568,083)</u>	<u>(71,890,631)</u>

Cash Flow Statement for the year ended 31 March 2020

		restated	
	Notes	1 April 2019 to 31 March 2020	1 April 2018 to 31 March 2019
(in USD)			
Operating activities			
Profit/(Loss)		(51,568,083)	(71,890,631)
Adjustment to reconcile Profit/ (Loss) before taxation to net cash provided by operating activities			
Interest on loan		32,748,405	29,956,635
Share of Loss/(Profit) from investments	1	20,346,325	42,135,485
Operating Profit/(Loss) before working capital changes		<u>1,526,647</u>	<u>201,489</u>
Changes in working capital			
Decrease/ (Increase) in current assets		(1,867,157)	(138,142)
(Decrease)/ Increase in current liabilities		143,839	(262,926)
Cash generated from/ (used in) operating activities		<u>(196,671)</u>	<u>(199,579)</u>
Investing activities			
Investment in IBV Brasil Petroleo Ltda	1	(89,511,827)	(29,057,161)
Cash generated from/ (used in) investing activities		<u>(89,511,827)</u>	<u>(29,057,161)</u>
Financing activities			
Payable to shareholder	6	90,403,499	29,229,869
Cash generated from/ (used in) financing activities		<u>90,403,499</u>	<u>29,229,869</u>
Net increase/ (decrease) in cash and cash equivalents		695,001	(26,871)
Cash and cash equivalents at the beginning of the year		28,480	55,351
Cash and cash equivalents at the end of the year		<u><u>723,481</u></u>	<u><u>28,480</u></u>

The accompanying notes form an integral part of the financial statements.

Notes to the financial statements

General

Activities

The principal objectives of BPRL Ventures B.V. ("the Company") are to participate in, to administer, to finance, to conduct the management of and to render advice and service to other Companies and enterprises.

The statutory seat of the Company is in Amsterdam and the principal executive office of the Company is located at Strawinskyiaan 937, 1077 XX Amsterdam, The Netherlands. The Company is registered in the trade register under file number 34.298.168.

Reporting currency

The policy of the directors is to make use of the provisions of Article 362, paragraph 7 of Title 9 of Book 2 of the Dutch Civil Code to present the financial statements of the Company in a currency other than Euro. In line with the international character of the group of which the Company forms a part, the financial statements of the Company are prepared and presented in US Dollar (USD) which is the presentation currency and functional currency of the Company.

Book year

In accordance with Article 19 of its Articles of Association, the financial year of the Company runs from the first day of April to thirty first March of the following calendar year.

Summary of principal accounting policies

Basis of preparation

These financial statements are prepared in accordance with Dutch GAAP and with statutory provisions of Part 9, Book 2 of the Dutch Civil Code. The principles of valuation are based on the historical cost convention. Assets and liabilities are valued at face value, unless otherwise indicated. Notes to the items of the balance sheet, the profit and loss account are numbered.

The cash flow statement has been prepared according to the indirect method and reflects the cash flows arising from the activities from the Company.

Going concern

The Company has a net equity deficiency of USD 381,793,261 as per 31 March 2020. Management has assessed the liquidity situation of the Company and does not foresee any issues with meeting its current liabilities as they fall due, due to the letter of support given by the majority shareholder of the Company. Management has a reasonable expectation that the Company has adequate resources available to continue in operational existence for the foreseeable future.

In respect of recent events particularly the impact of coronavirus and recent fall in the Oil/LNG prices, the potential impact on the project is not considered to be major as the Company does not anticipate major revisions to the longer-term oil and gas price forecasts. It is expected that the current events are unlikely to have multi-year impacts, and the negative impacts are expected to be concentrated in 2020/21. Considering the above and considering that management do not have any plans to stop the development of the project, the Company do not foresee any impairment on the carrying value recognized in respect of its project. We also refer to note 1 on page 10 in this report.

Notes to the financial statements

Changes in comparison to previous year

During the financial year 2019/2020 the Company decided to consider the interest payable to shareholder as non-current liability as it is not expected that the interest outstanding will be settled within 12 months.

When preparing the cash flow statement for this financial year an error was noticed in the cash flow statement for the previous year. The following correction is made:

- the interest on the intercompany loans was included in the decrease/(increase) in current liabilities and mentioned under interest on loan but because the interest on the intercompany loan is not paid it should not be included in the cash flow statement.

The balance sheet for the year ended 31 March 2019 has been restated for comparison reasons.

The following adjustments were made:

	31 March 2019	Restated opening balance 1 April 2018	Restated movement during FS18/19	Restated 31 March 2019
BALANCE SHEET				
<u>Long term liabilities</u>				
Payable to shareholder	518,815,446	89,327,246	29,956,636	638,099,328
<u>Current liabilities</u>				
Accounts payable	119,448,093	(89,327,246)	(29,956,636)	164,211
CASH FLOW STATEMENT				
<u>Changes in working capital</u>				
(Decrease)/ Increase in current liabilities	29,693,709	-	(29,956,635)	(262,926)
<u>Financing activities</u>				
Interest on loan	(29,956,635)	-	29,956,635	-

There is no increase/ (decrease) in cash and cash equivalents due to the restatement

Notes to the financial statements

Use of estimates

Inherent in the application of many of the accounting policies used in preparing the financial statements is the need for the management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may ultimately differ from those estimates and assumptions used. Any such differences will affect the financial statements for future accounting periods. The estimates and underlying assumptions are reviewed on an ongoing basis.

Investments

Non-consolidated participating interests over whose financial and operating policies the group exercises significant influence are valued using the net asset value method. The group's share in the results of the participating interests is recognized in the profit and loss account. For determining whether an impairment charge should be made in respect of an investment, reference is made to the respective note. Included in the investment valuation of the financial fixed assets are certain estimates on key accounting items, eg. tangible fixed assets, provisions, contingent liabilities.

Participations, in which the Company exercises significant influence are stated at net asset value.

Participations acquired are initially measured at the fair value of the identifiable assets and liabilities upon acquisition. Any subsequent valuation is based on the accounting policies that apply to these financial statements, taking into account the initial valuation. Participations with an equity deficit are carried at nil.

Impairment of Assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment assessment for an asset is required, the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less cost to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflow that are largely independent of those from other assets. In assessing value in use, the estimated future cash flow expected to be generated by the asset are discounted to their present value. Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount.

Impairment losses are recognized in the profit and loss account except for assets that are previously revalued where the revaluation was taken to equity. In this case the impairment is also recognized in equity up to the amount of any previous revaluation.

Loans

Receivables included in financial fixed assets are valued at amortized cost, less provisions where necessary.

Accounts receivable

Accounts receivable are initially recognised at fair value and subsequent at amortised cost, less provisions where applicable, except where a different basis of valuation has been indicated in the annual accounts.

Notes to the financial statements

Cash and cash equivalents

Cash and cash equivalents comprise of cash at bank. Cash at bank are stated at nominal value and are at the free and unrestricted disposal of the Company.

Loan from shareholder

Borrowings are recognized initially at nominal value.

Fees paid on the establishment of loan facilities are recognized as transaction costs in the profit and loss account.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Accounts payable

Accounts payable are initially recognized at fair value, less directly attributable transaction costs. After initial recognition, these liabilities are carried at amortized cost using the effective interest method.

The difference between the carrying value determined and the ultimate repayment value, together with the interest due, is determined in such a manner that the effective interest rate is taken to the profit and loss account during the term of the liabilities.

Translation of foreign currencies

All monetary assets and liabilities denominated in foreign currencies have been translated into US Dollars at the rate of exchange ruling at the balance sheet date, where as non-monetary assets denominated in foreign currencies are translated at historical rate when transaction took place. All transactions denominated in foreign currencies made during the period under review are translated into US Dollars at rates of exchange ruling on or around the date of the transactions. Foreign exchange gains and losses arising as a result of the application of the above accounting policies are disclosed separately in the profit and loss account.

1 USD as at balance sheet date equal to:

EUR 0.9127 (31 March 2020), EUR 0.8901 (31 March 2019)

BRL 5.20272 (31 March 2020), BRL 3.9043 (31 March 2019)

Income and expenses

Profits on transactions are recognized in the year they are realized; losses are recognized when foreseen. Expenses are based on the historical cost convention and attributed to the financial year to which they pertain.

Tax on income

Taxation is determined in accordance with Dutch guidelines and directives for corporate income taxes, which take into account tax exempted items and non-deductible amounts. Tax benefits arising from available losses are only recognized in the event that such losses can be compensated against prior year's taxable profits or, to the extent deemed realizable by the managements, against future taxable profits.

Fiscal unity

The Company together with its holding company BPRL International B.V. forms a fiscal unity for Dutch income tax purpose.

The Company and its holding company, which form a fiscal unity, are jointly and severally liable for payment of the full corporate income tax liability. A corporate income tax charge is recognized in the annual accounts of the Company and the total corporate tax liability is recognized in the annual account of its holding company.

Notes to the financial statements

	31 March 2020	31 March 2019
	USD	USD
Notes to the balance sheet		
1. Investments		
IBV Brasil Petroleo Ltda		
% Holding	50%	50%
Book value as at 1 April	32,663,384	45,741,708
Additions	89,511,827	29,057,161
Share of result	<u>(20,346,326)</u>	<u>(42,135,485)</u>
Net asset value as at 31 March	<u>101,828,885</u>	<u>32,663,384</u>

The financial year of IBV Brasil Petroleo Ltda runs from 1 January to 31 December. Financial Statements of IBV Brasil Petroleo Ltda for the period ended 31 December 2019 have been used to compute Company's share of result (Note 2).

As at 31 March 2020, the Company holds 2,135,587,508 shares of BRL 1 each out of 4,271,175,016 issued shares of IBV Brasil Petroleo Ltda (31 March 2019: 1,782,587,508 shares out of 3,565,175,016 shares of BRL 1 each). The Company has paid up 2,116,300,852 of the issued shares.

IBV Brasil Petroleo Limitada (IBV) (incorporated in Brazil), a joint venture company of BPRL Ventures BV, and VEBL, step down subsidiaries of BPRL & Videocon Industries Limited (VIL) respectively, holds Participating Interest in five blocks in three concessions in Brazil.

Considering that the blocks held by IBV Brasil Petroleo Ltda. are under exploration and appraisal stage and given that the current price volatility is only expected to be concentrated in 2020/21 only, the Company do not foresee any impairment on the carrying value recognized in respect of carrying value of its investment in IBV Brasil Petroleo Ltda.

2. Loans

Loan to IBV Brasil Petroleo Ltda		
Balance as at 1 April	274,857,955	274,857,955
Additions	-	-
Repayments	-	-
Share of result	-	-
Balance as at 31 March 2020	<u>274,857,955</u>	<u>274,857,955</u>

The Company agreed to provide the loan facility to IBV (Brasil) Petroleo Private Ltda - USD 150,000,000, USD 25,000,000, USD 27,750,000, USD 147,250,000, USD 150,000,000 and USD 200,000,000 as per various facility agreements.

As per the facility agreement, the loan is subject to an interest rate of 6m LIBOR plus 400 bps, which is due semi-annually provided the borrower makes a profit. The borrower has made a loss of USD 40,692,652 (50% share of the Company is USD 20,346,326) for the period 1 January - 31 December 2019.

Notes to the financial statements

	31 March 2020	31 March 2019			
	USD	USD			
3. Accounts receivable					
a) Accounts receivable from group company					
BPRL Ventures Mozambique B.V.	3,006	3,083			
BRPL Ventures Indonesia B.V.	478	490			
	<u>3,484</u>	<u>3,573</u>			
b) Accounts receivable from others					
Videocon Energy Brazil Limited	2,324,631	484,951			
Amounts to be invoiced	27,583	-			
Bank interest	2	19			
	<u>2,352,216</u>	<u>484,970</u>			
Total (a+b)	<u>2,355,700</u>	<u>488,543</u>			
4. Cash and cash equivalents					
BNP Paribas A/c No. 22.79.96.984, USD - current account	722,310	25,175			
BNP Paribas A/c No. 22.79.99.029, EUR - current account	1,171	3,305			
	<u>723,481</u>	<u>28,480</u>			
5. Equity					
	Issued and paid-up capital	Issued and paid-up capital	Translation reserve	Accumulated results	Total
	EUR	USD	USD	USD	USD
Balance as at 1 April 2019	224,566,311	252,300,252	49,079,855	(631,605,284)	(330,225,177)
Translation adjustment	-	(22,456)	22,457	-	-
Result for the year	-	-	-	(51,568,084)	(51,568,084)
Balance as at 31 March 2020	<u>224,566,311</u>	<u>252,277,796</u>	<u>49,102,312</u>	<u>(683,173,368)</u>	<u>(381,793,261)</u>
	Issued and paid-up capital	Issued and paid-up capital	Translation reserve	Accumulated results	Total
	EUR	USD	USD	USD	USD
Balance as at 1 April 2018	224,566,311	276,688,152	24,691,955	(559,714,653)	(258,334,546)
Translation adjustment	-	(24,387,900)	24,387,900	-	-
Result for the year	-	-	-	(71,890,631)	(71,890,631)
Balance as at 31 March 2019	<u>224,566,311</u>	<u>252,300,252</u>	<u>49,079,855</u>	<u>(631,605,284)</u>	<u>(330,225,177)</u>

In accordance with Article 373, paragraph 5 of Book 2 of the Dutch Civil Code the paid and called capital is translated into USD at the rate of exchange ruling at the balance sheet date (EUR 1 = USD 1.0956 on 31 March 2020 and EUR 1 = USD 1.1235 on 31 March 2019).

Unrealized foreign exchange gains and losses arising from the translation into USD of the Company's Euro issued and paid-up capital are maintained in a Translation reserve which is a legal reserve.

Appropriation of result

In anticipation of a resolution being passed to that effect at the general meeting to be held to consider and adopt the financial statements for the year ended 31 March 2020 the loss for the year of USD 51,568,083 has been added to accumulated losses brought forward from previous years.

Notes to the financial statements

	31 March 2020	31 March 2019
	USD	USD
6. Payable to shareholder		
a) Loans from shareholder		
Balance as at 1 April	518,815,446	489,585,577
Additional loans	90,403,499	29,229,869
Repayments	-	-
Balance as at 31 March	<u>609,218,945</u>	<u>518,815,446</u>

The Company entered into an agreement on 3 December 2012 with its shareholder (BPRL International B.V.), whereby the Company facilitated a loan from its shareholder up to a maximum amount of USD 250,000,000 and an amended agreement on 6 February 2014 in which the loan facility extended to a maximum amount of USD 500,000,000. Because the maximum amount has been exceeded, it has been agreed to increase the maximum amount to USD 750,000,000. Formalisation of the increase will take place during the calendar year 2020.

The rate of interest on loan for each interest period is subject to an interest aggregate of 3 months LIBOR plus a margin per annum. Repayment date of loan before 31 March 2025.

b) Interest on loans from shareholder

Balance as at 1 April	119,283,882	89,327,246
Additional loans	32,748,405	29,956,636
Repayments	-	-
Balance as at 31 March	<u>152,032,287</u>	<u>119,283,882</u>

During the year under review the interest payable to shareholder is transferred from current assets to non-current assets as it is not expected that the interest will be repaid during the next 12 months.

Total (a+b)	<u>761,251,232</u>	<u>638,099,328</u>
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7. Accounts Payable

a) Creditors	10,160	446
b) Accounts payable to shareholder	105,052	34,474
c) Bharat PetroResources Limited	143,106	124,948
d) Accrued expenses	20,741	4,343
e) Taxes	28,991	-
Total (a+b+c+d+e)	<u>308,050</u>	<u>164,211</u>

BPRL VENTURES B.V.
Amsterdam, The Netherlands

Notes to the financial statements

	1 April 2019 to 31 March 2020	1 April 2018 to 31 March 2019
	USD	USD

Notes to the Profit and Loss account

8. Tax on income

Dutch corporate income tax charge for the period

- -

9. Employees

The average number of employees of the Company during the period were

Nil Nil

10. Contingent assets and liabilities

The Company did not have any contingent assets or liabilities on the balance sheet date.

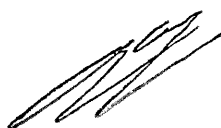
11. Subsequent events

There have been no events since the balance sheet date that need to be included which have a material effect on financial situation of the Company as at that date.

12. Directors

The Company had four directors during the period (Previous Year : Four) under review, who received no remuneration (Previous Year : NIL). Mr. P. Kumar resigned on 27 August 2019.

The Company does not have a Board of supervisory directors.



Richard Verwer
Director

Athos Business Services (Asia) B.V.



F.A. Didwania - van Gelderen



V.V. Maheshwari
Appointed on 27 August 2019



U.S.N. Bhat

Date : 4 May 2020

Place : Amsterdam

BPRL VENTURES B.V.
Amsterdam, The Netherlands

Other Information

Statutory Provision on appropriation of result

According to Article 21 of the Articles of Association of the Company the result of the company is at the disposal of the general meeting of shareholders.

Auditor's report

Auditor's report is set out in the following page.