



INTERLINK
PETROLEUM
LIMITED



ANNUAL REPORT - 2013

22ND ANNUAL REPORT 2012-2013

COMPANY PROFILE

BOARD OF DIRECTORS	:	Vijay Misra	-	Chairman
		Gopal Pallipuram Srinivasan	-	Managing Director
		Lee Chye Cheng Adrian	-	Director
		Arun Agarwal	-	Director
		Lai Kai Jin Michael	-	Director
		Ambrose Gerard Corray	-	Director
		Krishna Kumar Nittala (Appointed w.e.f. 26 th April 2013)	-	Director
		Ajay Gupta (Appointed w.e.f. 26 th April 2013)	-	Director
COMPANY SECRETARY	:	Parvinder Singh Arora		
STATUTORY AUDITORS	:	M/s. Shirish Desai & Co. Chartered Accountants Vadodara.		
BANKERS	:	HDFC Bank Ltd., DBS Bank Ltd., Yes Bank Ltd., State Bank of India		
REGISTERED OFFICE	:	“211A, 2 nd Floor, Triveni Complex, E-10-12, Jawahar Park, Laxmi Nagar, New Delhi 110 092”.		
CORPORATE OFFICE	:	H-20, Sector-27, NOIDA, Uttar Pradesh-201301		
SITE LOCATIONS	:	GCS Baola Village: Salajda Tal, Distt: Ahmadabad, Gujarat-382220 Modhera Block Village: Modhera, Distt: Mehsana, Gujarat-384212		

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NOTICE

Notice is hereby given that the Twenty-second (22nd) Annual General Meeting of the members of Interlink Petroleum Limited will be held on Monday, the 23rd day of September 2013 at 10.30 A.M. at Assam Association, Srimanta Sankardeva Bhawan, A-14B, Qutub Institutional Area, Satsang Vihar Marg, New Delhi-110067 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2013, and the Statement of Profit & Loss as on that date together with the Reports of the Board of Directors and the Auditors' thereon.
2. To appoint a Director in place of Mr. Lai Kai Jin Michael (DIN:02247249), who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Arun Kumar Agarwal (DIN:00063359), who retires by rotation and being eligible, offers himself for re-appointment.
4. To re-appoint M/s. Shirish Desai & Co., Chartered Accountants, Vadodara, as Statutory Auditors and fix their remuneration:

"RESOLVED THAT M/s. Shirish Desai & Co., Chartered Accountants (Registration No. 112226W), be and is hereby appointed as Statutory Auditors of the Company, to audit the accounts for the financial year 2013-14 and to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors."

SPECIAL BUSINESS

5. To consider and if thought fit to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Mr. Krishna Kumar Nittala (DIN-02228924), who was appointed as an Additional Director of the Company in terms of Section 260 of the Companies Act, 1956 read with Article 137 of Article of Association of the Company with effect from 26th April 2013 and holds office up to the ensuing Annual General Meeting of the Company and in respect of whom the Company has received a notice in writing from a member pursuant to Section 257 of the Companies Act, 1956 proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

6. To consider and if thought fit to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Mr. Ajay Gupta (DIN- 00242466), who was appointed as an Additional Director of the Company in terms of Section 260 of the Companies Act, 1956 read with Article 137 of Article of Association of the Company with effect from 26th April 2013 and holds office up to the ensuing Annual General Meeting of the Company and in respect of whom the Company has received a notice in writing from a member pursuant to Section 257 of the Companies Act, 1956 proposing his candidature for the office of the Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

By Order of the Board of Directors of
INTERLINK PETROLEUM LIMITED

Place: NOIDA

Date: 16th August, 2013

Parvinder Singh Arora
COMPANY SECRETARY

Notes :

1. Shareholders are requested to bring their copy of Annual Report to the Meeting.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT ANOTHER PERSON AS HIS/HER PROXY TO ATTEND AND TO VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A BLANK FORM OF PROXY IS ENCLOSED AND IF INTENDED TO BE USED, IT SHOULD BE DULY COMPLETED AND DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE MEETING.**
3. Corporate Members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of Board Resolution authorizing their representatives to attend and vote on their behalf at the Meeting.
4. Information about the directors proposed to be appointed and re-appointed, as required under the clause 49 IV G of the Listing Agreement is annexed hereto.
5. Explanatory Statements pursuant to Section 173(2) of the Companies Act, 1956, relating to the Special Business to be transacted at the Meeting are annexed hereto.
6. In case of joint holders attending the meeting, only such joint holder who is higher on the order of names will be entitled to vote.
7. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company during the working hours.
8. The Register of Members and Share Transfer Books of the Company shall remain closed from 16th day of September 2013 to 23rd day of September 2013 (both days inclusive).
9. Members, who are holding shares in identical order of names in more than one folio are requested to write to the Company enclosing their share certificates to consolidate their holdings in one folio.
10. Members holding shares in physical form are requested to notify changes in their address (if any) to the Registrar and Transfer Agent **M/s. Link Intime India Private Limited, 44, Community Centre, 2nd Floor, Naraina Industrial Area, Phase - I, Near PVR, Naraina, New Delhi, Delhi-110028.**
11. SEBI vide its Circular No. MRD/Dop/Cir-05/2009 dated 20th May 2009 has made it mandatory to submit PAN for registration of physical share transfer requests. Members holding shares in electronic form are, therefore, requested to submit a copy of their PAN to their Depository Participants with whom they are maintaining their Demat Accounts. Members holding shares in physical form can submit their PAN details to the Company / Registrars and Transfer Agents M/s. Link Intime India Private Limited.
12. Members seeking further information about the Accounts/Working of the Company are requested to write to the Company Secretary at least 7 days in advance of the meeting so as to enable the Directors to keep the information ready for the meeting. They may also email their queries at parvinder@interlinkpetroleum.com at least seven days in advance.
13. The Company has already joined the Depository System and the ISIN for the equity shares of the Company is INE959G01016. Members holding shares in physical mode are requested to convert their holdings into Dematerialized mode.
14. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
15. Non-Resident Indian Members are requested to inform M/s. Link Intime India Private Limited immediately of any change in their residential status on return to India for permanent settlement.
16. Consequent upon the introduction of Section 109A of the Companies Act, 1956 shareholders are entitled to make the nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their request in Form 2B (which will be made available on request) to the Registrar and Transfer Agent, M/s. Link Intime India Private Limited.
17. To support the 'Green Initiative' in the Corporate Governance taken by the Ministry of Corporate Affairs, to contribute towards greener environment and to receive all documents, notices, including Annual Reports and other communications of the Company, investors should register their e-mail addresses with Link Intime India Private Limited if shares are held in physical mode or with their DP, if the holding is in electronic mode.

ANNEXURE TO THE NOTICE

PURSUANT TO THE PROVISIONS OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGE, THE INFORMATION REQUIRED TO BE GIVEN, IN CASE OF THE APPOINTMENT/REAPPOINTMENT OF THE DIRECTORS IS AS FOLLOWS:

Director's Name	Mr. Lai Kai Jin Michael	Mr. Arun Agarwal	Mr. Krishna Kumar Nittala	Mr. Ajay Gupta
Date of Birth	2 nd November 1969	8 th July 1960	01 st December 1959	10 th December 1966
Qualifications	Bachelor Degree in Law	Chartered Accountant	Mechanical Engineer	Chartered Accountant
Nature of Expertise	Marine Insurance, Shipping and Admiralty Law legal disputes arising out of International Trade and Transport	Accountancy, Taxation, Audit, Finance, Company Law, Corporate Laws and Banking	Oil & Gas	Financial & Investment Advisory, International Taxation, M&A, corporate restructuring valuations, accounting and auditing
Date of Appointment/ Reappointment	21 st August 2008	3 rd October 2008	26 th April 2013	26 th April 2013
Name of other Companies in which he holds Directorships	<ul style="list-style-type: none"> Interlink Petroleum Ltd. Select Group Ltd. Pan Asia Mining Ltd. PV Keez Pte. Ltd. Naga Corp Ltd. Interlink Petroleum Pte. Ltd. 	<ul style="list-style-type: none"> Interlink Petroleum Ltd. Taurus Portfolios Ltd. Gail (India) Ltd. State Bank of Patiala Shivang Helmet Pvt. Ltd. Catalyst Media Pvt. Ltd. 	<ul style="list-style-type: none"> Venture Energy and Technologies Limited Frontier Aban Drilling (India) Limited Krisind Technologies India Private Limited Kakinada Marine & Offshore Complex Limited Sembmarine Kakinada Limited Sembmarine Kakinada Limited Kakinada LNG Private Limited 	<ul style="list-style-type: none"> Barun Trading Private Limited
Name of the committees of Companies in which he holds memberships	1. Interlink Petroleum Ltd. <ul style="list-style-type: none"> Audit Committee Shareholders' Grievance Committee Remuneration Committee 2. Select Group Ltd. <ul style="list-style-type: none"> Audit Committee Remuneration Committee 3. Pan Asia Mining Ltd. <ul style="list-style-type: none"> Audit Committee Remuneration Committee 4. Naga Corp Ltd. <ul style="list-style-type: none"> Audit Committee 	1. Interlink Petroleum Ltd. <ul style="list-style-type: none"> Audit Committee Shareholders' Grievance Committee Remuneration Committee Issuance and Transfer of Share Certificate 2. Gail (India) Ltd. <ul style="list-style-type: none"> Audit Committee 3. State Bank of Patiala <ul style="list-style-type: none"> Audit Committee 	1. Interlink Petroleum Ltd. <ul style="list-style-type: none"> Remuneration Committee 	1. Interlink Petroleum Ltd. <ul style="list-style-type: none"> Audit Committee
Shareholding in the Company	NIL	NIL	NIL	NIL

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM No. 5

Mr. Krishna Kumar Nittala was appointed as a Non-Executive Independent Director on 26th April 2013 under the provision of Section 260 of the Companies Act 1956 read with the Article 137 of the Article of Association of the Company and he holds office till the conclusion of 22nd Annual General Meeting of the Company.

Mr. Nittala is a Mechanical Engineer and has more than 30 years of experience at various spheres of upstream onshore & offshore Oil & Gas Industry. Mr. Nittala has been working on the senior position with Oil India Ltd, Essar Group, Larsen & Turbo & Frontier Aban Drilling Company Ltd.

The Company has received a notice under Section 257 from a member of the Company proposing his candidature for the office of the Director.

Mr. Nittala, being eligible, offers himself for the appointment as a Director of the Company. You are therefore requested to kindly give your consent.

None of the Directors, except Mr. Nittala is directly or indirectly interested in the resolution.

ITEM No. 6

Mr. Ajay Gupta was appointed as a Non-Executive Independent Director on 26th April 2013 under the provision of Section 260 of the Companies Act 1956 read with the Article 137 of the Article of Association of the Company and he holds office till the conclusion of 22nd Annual General Meeting of the Company.

Mr. Ajay is a Chartered Accountant and has more than 22 years of experience in Financial & Investment Advisory, International Taxation, including financial investment strategy formulation, M&A, corporate restructuring, financial modeling, valuations, accounting and auditing. Mr. Ajay has been working Price Waterhouse Coopers (PWC) and headed the consultancy practice of Fox Mandal.

The Company has received a notice under Section 257 from a member of the Company proposing his candidature for the office of the Director.

Mr. Ajay, being eligible, offers himself for the appointment as a Director of the Company. You are therefore requested to kindly give your consent.

None of the Directors, except Mr. Ajay is directly or indirectly interested in the resolution.

DIRECTORS' REPORT

Dear Members,

The Directors of the Company take the pleasure in presenting Company's Twenty Second (22nd) Annual Report of the Company, along with Audited Accounts for the financial year ended 31st March, 2013.

1. FINANCIAL PERFORMANCE

(Figure in ₹)

Particulars	2012-13	2011-12
Total Income	3455209	6198431
Gross Profit / (Loss) before Interest, Depreciation & Tax	(6494462)	(2221907)
Less : Interest	Nil	Nil
Depreciation	73276	68921
Profit before Tax	(6567738)	(2290828)
Less: Provision for Taxation	Nil	Nil
Profit after Tax	(6567738)	(2290828)
Amount carried to Reserves	Nil	Nil
Equity Share Capital (Paid-up)	249212000	249212000
Net Worth	369035576	375603314

2. DIVIDEND

In view of losses incurred during the financial year 2012-13, the Board does not recommend any dividend for the year under review.

3. REVIEW OF OPERATIONS

During the period under review your Company also conducted test operations at Baola well # 8 and produced test oil at an estimated average of 9.3 barrels (together with dissolved Gas and emulsified water) per day for a continuous period of approximately 50 days. This production was made on self-flow basis, and this has given a confidence to the Company to raise the production at commercial levels by applying technologically advanced applications. The process of identification of a suitable technology is in progress.

Your Company has entered into a Gas Sales Purchase Agreement (GSPA) for supply of 5000 Standard Cubic Metres (SCM) of Natural Gas from Baola field for an initial period of five years (extendable in blocks of two years each on mutually agreed terms and conditions). The agreement also provides for supply of additional Gas quantities on mutually agreed terms and conditions, as and when such quantities are available from the field. For the purpose of sale of Natural Gas, the buyer has installed a gas Compressor within the Company's Baola GCS.

Pursuant to the above Agreement, your Company has recommenced supplying Gas to the buyer with effect from 12th April 2013. The average gas supplied stood at about 4000 SCM per day. The Company is waiting for the production to stabilize before making efforts to increase the production.

During the period under review your Company did work-over jobs at Baola well # 5 and Modhera well # 1, to bring these wells closer to production. Both the work-overs remained inconclusive as the Baola well #5 did not flow gas from the expected zone of interest probably due to the presence of heavy oil in the reservoir and the surprise presence of sand in the wellbore at Modhera well #1. The Company is currently analyzing these situations to find appropriate solutions.

4. SIGNIFICANT DEVELOPMENTS

Subsequent to last year reporting, Loyz Oil Pte. Ltd., Singapore, a Promoter Company, granted External Commercial Borrowing of USD 1.25 Million for carrying out further operations in Modhera and Baola fields.

Resource assessment of Modhera field:

During the period under review the Company had appointed M/s Roxar Flow Measurement Sdn Bhd Kuala Lumpur, Malaysia, a consulting firm of International repute for Resource estimation of Modhera field. The consultant had submitted its report, and the summary of the report is as under:

Gross Contingent Resources

	1C	2C	3C
Oil (Million Barrels)	0.403	1.535	8.913

Gross Prospective Resources:

	Low Estimate	Best Estimate	High Estimate
Oil (Million Barrels)	0.774	3.622	9.926

The same was submitted to Directorate General of Hydrocarbons (DGH) which has accepted the following:

- 1- 2P STOIP (Stock Tank Oil Initially in Place) of 2.3835 MMBO (Million barrels of Oil) may be agreed for Modhera field.
- 2- EUR (Estimated Ultimate Recovery) for the field would be considered at a later date after conclusive testing in wells Modhera # 1 and Modhera #2.
- 3- Contingent and prospective resources would require up-gradation to commercial category before being considered.

These are very encouraging resource numbers and your Company is making its efforts for early monetizing of the same.

Resource assessment of Baola field:

M/s Netherland Sewell and Associates, USA, an internationally renowned resource estimation agency appointed for the reserve estimation, has submitted its report for the Baola field, and the same together with the internal assessment by the Company's G&G team has been submitted to Directorate General of Hydrocarbon (DGH), Ministry of Petroleum and Natural Gas, Government of India for its review and approval. The details of the same would be made available after receipt of the approval.

5. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements under Section 217 (2AA) of the Companies Act, 1956, with respect to the Directors' Responsibility Statement, your directors confirm that:

- (i) in the preparation of the Annual Accounts for the year ended 31st March 2013, the applicable accounting standards read with requirements set out under schedule VI of the Companies Act 1956, have been followed and there are no material departures from same;
- (ii) the Directors have selected such accounting policies and applied them consistently and judgments and estimates that are reasonable and prudent so as to give a true and fair view of state of affairs of the Company as at 31st March 2013 and of the loss of the Company for the year ended on that date;
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities; and

(iv) the Directors have prepared the Annual Accounts on a 'going concern' basis.

6. DIRECTORS

Mr. Bikash Chandra Bora resigned from the Board as Director and Chairman of the Company w.e.f. 31st October 2012. The Board expresses its sincere appreciation on the valuable contribution rendered by him during his association with the Company. On his resignation, Mr. Vijay Misra, a Promoter Director, was appointed as the Chairman of the Board.

In view of the above change, Mr. Krishna Kumar Nittala and Mr. Ajay Gupta have been appointed as Additional Directors (Independent) on the Board of the Company w.e.f. 26th April 2013, in terms of section 260 of the Companies Act 1956, and in compliance with clause 49 of the listing agreement. Mr. Krishna Kumar Nittala and Mr. Ajay Gupta, will hold office up to the ensuing 22nd Annual General Meeting of the Company. The Company has received notices from the members, under section 257 of the Companies Act, 1956, along with the requisite deposits in respect of Mr. Krishna Kumar Nittala and Mr. Ajay Gupta, proposing their candidature for the office of Independent Directors on the Board of the Company.

Further, Mr. Lai Kai Jin Michael and Mr. Arun Agarwal, the Directors retire by rotation, are retiring at the ensuing 22nd Annual General Meeting and being eligible they offer themselves for re-appointment.

For the perusal of shareholders, the relevant Explanatory Statements as required u/s 173 of the Companies Act 1956 and a brief resume of the directors being proposed to be appointed / re-appointed, their nature of expertise, their shareholding in the Company, the names of the Companies in which they hold directorships and details of the Committees in which they hold membership or Chairmanship are given as annexure to the notice, as required under clause 49 of the Listing Agreement.

The Board recommends their appointment / reappointment.

7. SUBSIDIARY COMPANY

The Company had a wholly owned subsidiary namely Interlink Petroleum Pte. Limited (IPPL) incorporated under the laws of Singapore. The subsidiary is under the process of winding up since no operations could be commenced. This will help the Company in reducing the costs associated with maintaining the subsidiary. Depending on the business needs in the future, your Company may set-up subsidiary company(s) in India or abroad. The amount due from the subsidiary has been fully written off during the year.

8. PERSONNEL

In terms of the provisions of section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended, the names and other particulars of the employees are set out in the annexure to the Directors' Report. Having regard to the provisions of Section 219(1)(b)(iv) of the said Act, the Annual Report excluding the aforesaid information is being sent to all the members of the Company and others entitled thereto. Any member interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

9. CORPORATE SOCIAL RESPONSIBILITY

During the period under review, the Company conducted repair and maintenance works of pond for rain water harvesting within its field area. The Company also maintained repair and maintenance work of the road connecting village – canals and the fields.

10. FINANCIAL STATEMENTS

The Financial Statements are prepared in accordance with the Accounting Standards and guidelines, issued by Institute of Chartered Accountant of India, forms the part of Annual Report of the Company.

11. AUDITORS & AUDITORS' REPORT

The Auditors, M/s. Shirish Desai & Co. (Firm Registration No. 112226W) hold office until the conclusion of ensuing Annual General Meeting and are eligible for re-appointment. The requisite certificate under section 224(1B) of the Companies Act, 1956 has been received from M/s Shirish Desai & Co. expressing their willingness to accept office, if reappointed. The Audit Committee and the Board has recommended the reappointment of M/s. Shirish Desai & Co., as Statutory Auditors of the Company.

The Independent Auditors' Report read with Notes to the Accounts referred to therein, are self-explanatory and therefore do not call for any further comments.

12. COST ACCOUNTS & AUDIT

The Cost Audit has been made mandatory for the Company vide Ministry of Corporate Affairs Order No. F.No.52/26/CAB-2010 dated 2nd May 2011 with effect from 1st April 2011. In pursuance of the above order the Company had appointed M/s K L Jaisingh & Co., Practicing Cost Accountants, for conducting the cost audit of the Company. The Cost Audit Report for the Financial Year 2011-12 has been submitted to the Ministry of Corporate Affairs, New Delhi. Further, M/s. K L Jaisingh & Co., Practicing Cost Accountant, has been re-appointed as the Cost Auditors of the Company for conducting the cost audit of cost records of the company for the FY ended 31st March 2013.

13. INFORMATION PURSUANT TO CLAUSE 5A I & 5A II OF THE LISTING AGREEMENT

During the year under review, there were no shares issued pursuant to public issue or any other issue that remained unclaimed and are lying in the escrow account. Further, there are no shares issued in physical form pursuant to public issue or any other issue which remained unclaimed. Accordingly, clause 5A I & 5A II of the listing agreement is not applicable on the Company.

14. PUBLIC DEPOSITS

During the year the Company did not accept any Public deposits within the meaning of section 58A of the Companies Act 1956.

15. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGOINGS

As required under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules 1988, a statement showing particulars with respect to conservation of energy, technology absorption and Foreign Exchange earnings and outgoings is given in **Annexure –I**.

17. MANAGEMENT DISCUSSION & ANALYSIS AND CORPORATE GOVERNANCE REPORT

As required under clause 49 of the listing agreement, Management Discussion & Analysis and Corporate Governance Report form part of the Annual Report and are given as **Annexure-II & Annexure-III** respectively.

18. HEALTH SAFETY & ENVIRONMENT (HSE)

There were regular meetings on HSE held at Baola & Modhera sites during the year. There was no untoward incident/accident and the operations were conducted safely. Due attention was given to environmental protection and regulation and all statutory approvals were obtained in this regard.

19. ACKNOWLEDGEMENTS

Your Company is fortunate to have a strong team whose endeavors have laid a strong foundation for the success of the organization as a whole. Your Directors acknowledge the sincere contribution made by the