



**INTERLINK
PETROLEUM**

Interlink Petroleum Limited

**19TH
ANNUAL REPORT
2009-2010**

19TH ANNUAL REPORT 2009-2010

Board of Directors	:	Bikash Chandra Bora	-	Chairman
		Kenneth Gerard Pereira	-	Managing Director
		Vijay Misra	-	Director
		Lee Chye Cheng Adrian	-	Director
		Lai Kai Jin Michael	-	Director
		Arun Agarwal	-	Director
Registered Office	:	"Premal Jyot" 1-B, Sarabhai Colony Gotri Road, Near General Hospital, Vadodara - 390021		
Dy. Company Secretary	:	Bharat Patel		
Bankers	:	HDFC Bank		
Auditors	:	M/s. Shirish Desai & Co. Chartered Accountants Vadodara.		

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NOTICE

NOTICE is hereby given that the 19th Annual General Meeting of the Members of Interlink Petroleum Limited will be held on Friday, the 3rd September, 2010 at 3.00 p.m. at Dr. I G Patel Seminar Hall, Faculty of Social Work of M. S. University, Opp. Fateh Gunj Post Office, Fateh Gunj, Vadodara-390002 to transact the following Ordinary business :

1. To receive, consider and adopt the Audited Profit & Loss Account for the year ended 31st March, 2010 and Balance Sheet as of that date together with reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Vijay Misra, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Bikash Chandra Bora, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration.

For and on behalf of the Board,

Place: Noida

Date : 10-06-2010

Bikash Chandra Bora

Chairman

Notes :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE, INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
2. Proxy Form duly completed and signed should be lodged with the Company 48 hours before the commencement of the meeting, in order to be effective.
3. Register of Members and Share Transfer Register of the Company will remain closed from Wednesday, 1st September, 2010 to Friday, 3rd September, 2010 (both the days inclusive).
4. Information about directors being appointed, as required under clause 49 IV G of the Listing Agreement, is given in the annexure to the Notice.
5. **Members desirous of obtaining any information in respect of Accounts of the Company are requested to write to the Company at least seven days before the date of the meeting.**
6. Pursuant to SEBI circular, the Shareholders holding shares in physical form are requested to submit the notarized copy of PAN in compliance of the KYC norms.

Annexure to the Notice of Annual General Meeting**Information pursuant to clause 49 of the Listing Agreement regarding re-appointment of directors upon retiring by rotation and appointment of Directors.****Item No. 2 : Brief Resume and Nature of Expertise:**

Mr. Vijay Misra, aged 50 years, did his Graduation, Post Graduation and L.L.B. from Delhi University and MBA from Slovenia, Europe. He is Oil and Gas Consultant, having more than 26 years of experience in upstream Oil & Gas sector. He worked in Oil India Limited and ONGC for 17 years. During last 8 years, he is the Country Head of Sapura Group of Company from Malaysia.

Mr. Vijay Misra started his career with Oil India Limited, He worked as Staff Officer to Chairman of Oil India Limited, and ONGC for last 8 years. He had very rich experience and exposures in the upstream sector of this country.

Mr. Misra is the Promoter Director holding 4,11,900 Equity Shares in your Company.

Apart from Interlink Petroleum Limited, Mr. Misra holds directorships in following companies.

Sr. No.	Name of the Company	Designation
1.	Donipolo Infraconsultant Private Limited	Director
2.	Manthan Pharma Private Limited	Director
3.	Orchid Oil Private Limited	Director

The Board recommends his re-appointment as a Director.

None of the Directors, except Mr. Vijay Misra, is in any way concerned or interested in the said resolution.

Item No. 3 : Brief Resume and Nature of Expertise:

Mr. Bikash Chandra Bora, aged 70 years, a Graduate in Mechanical Engineering and a fellow of the Institution of Engineers (India), is an Energy Consultant, having more than 45 years of experience in Oil & Gas sector, both within and outside India. He superannuated from ONGC as Chairman & Managing Director in 2001.

Mr. Bora started his career with Oil India Limited, as a Production Engineer in 1962 and rose to become the Chairman and Managing Director of the Company in 1992, a position he held until 1995, when he moved to ONGC as its Chairman and Managing Director and superannuated from that position in 2001. He was actively involved with a number of important Committees and task forces of the Government of India, related to the Hydrocarbon and Energy industries, to help the Government, to decide on various policy issues on Oil & Gas Sector, as well as Public Sector in general. He was also associated with a number of Technical, Social and Sports organizations in the Country as an important office bearer.

He has remained associated with Petroleum Sector by being part time Consultant and Advisor to a number of Companies engaged in the Energy Sector.

Mr. Bora does not hold any Shares or beneficial Interest in any shares of your Company.

Apart from Interlink Petroleum Limited, Mr. Bora holds directorships in following companies.

Sr. No.	Name of the Company	Designation
1.	Gujarat Gas Company Limited	Independent Director
2.	Assam Hydrocarbon and Energy Company Limited	Director
3.	NEFTOGAZ India Private Limited	Director

His Professional Competence and valuable, rich experience in the Oil & Gas Industry, would be of immense benefit to the Company.

The Board recommends his re-appointment as a Director.

None of the Directors, except Mr. Bikash Chandra Bora, is in any way concerned or interested in the said resolution.

DIRECTORS' REPORT

To,
The Members
Interlink Petroleum Limited

Your Directors have pleasure in presenting for your consideration and approval the Nineteenth Annual Report for the year ended 31st March, 2010.

1. FINANCIAL PERFORMANCE:

(Rs. in Lacs)

Particulars	2009-10	2008-09
Total Income	115.28	66.88
Gross Profit / (Loss) before Interest, Depreciation & Tax	10.47	(176.15)
Interest	0.25	3.60
Depreciation	2.58	7.86
Provision for Taxation (Including FBT)	NIL	1.81
Net Profit / (Loss)	7.64	(189.42)

2. DIVIDEND:

In view of inadequacy of profit, the Board does not recommend payment of dividend to the Shareholders for the year under review.

3. RETROSPECTIVE AND PROSPECTIVE REVIEW OF OPERATIONS:

Upon completion of the takeover activities, the new management pursued and obtained the Mining Lease for Modhera oil field (located in the Cambay Basin in close proximity to Baola field). In addition, for Modhera, the Company took over the management of the field in February 2009 (the Production Sharing Contract for Modhera had been previously signed by the Company in the year 2001).

The 3D seismic data acquisitions of Baola and Modhera were conducted as planned and were completed during the year. Data processing for both fields were also completed but interpretation work could only be finalized for Baola during the year under review. The interpretation work for Modhera was still in progress as at the end of the year.

The seismic interpretation results for Baola have provided the Company with a few leads for drilling of a proposed well. The Company, after extensive technical analysis, has selected the best technically acceptable geological location for drilling an exploratory cum development well. The well is scheduled to be spud in the second quarter of the 2010-11 financial year. In addition, your Company is also planning to drill a well in Modhera during the third or the fourth quarter of the 2010-2011 financial year, if the seismic prognosis results in credible drilling leads.

It is hoped that the production of oil/gas from the Baola field and oil/gas from Modhera field (contingent on the outcome of a drilling phase) is expected to commence from the financial year 2010-11 and 2011-12 respectively.

On the international front, the Company's wholly-owned subsidiary, Interlink Petroleum Pte. Limited (incorporated in Singapore during the year 2008-09), has yet to commence operations.

4. MANAGEMENT DISCUSSION AND ANALYSIS:

4.1 Industry Structure and Developments:

The petroleum industry in India remains regulated by the policies of the Government of India. The industry, however, faces tough challenges from the environmental policies being

implemented in the country which are getting stricter with each passing day. This is impacting the industry, resulting in delays in project implementation as well as adding to finding and developing costs. Further, the recent apex court pronouncement on the ownership of gas and its pricing guidelines relating to gas related transactions has also changed the industry landscape.

4.2 Opportunities and Challenges:

The price of oil appears to be maintaining a level of approximately US\$60 - US\$80 per barrel. This has catalyzed the industry and exploration and development activities are on the uptrend. This current oil price level is expected to remain in the medium term. The rise in oil prices may result in an escalation in service costs to its pre-downturn levels.

In contrast, the natural gas prices that had plunged along with oil prices have not rebounded to their pre-downturn levels and are still posing some challenges to the gas producers. Natural gas, remains a largely a regional product and continues to be monopolized by the suppliers or consumers or transporters.

4.3 Operations and Performance:

Overall Review:

The Company seized a partial advantage of the economic downturn in late 2008 and carried out its operations, mainly the 3D seismic acquisition, processing and interpretation at moderate costs. We also achieved our objective of completing the program on schedule, enabling us to plan for a drilling program to commence by mid 2010.

In this area the Company will continue to seek opportunities to obtain competitive pricing for services.

Quality, Health, Safety & Environment:

Your Company is committed to protect the health, safety and environment in all aspects of its work. The Company therefore places high emphasis on compliance to its HSE policy by all the stake holders, the employees, contractors and associates.

4.4 Future Outlook:

Threats :

As is the case with any oil and gas exploration and production player, the Company's overall performance is impacted by oil / gas price and finding, development and operational costs. The size of the Company's future revenue will rely on successful development of the fields being held and will also depend on oil and gas prices prevailing in the international market. To try to mitigate fluctuations in the Company's performance with oil price fluctuations, the Company may resort to processes such as hedging. Such measures will be suitably undertaken at the appropriate time. In the meanwhile, the gas price continues to remain a challenge for the Company as the estimated gas accumulations in its fields requires a reasonable price support for it to be economically produced.

Efforts are being made by the Company to secure such gas prices from its present and prospective consumers.

4.5 Internal Control Systems and Risk Management:

The Company is already practicing an adequate Internal Control System in respect of efficiency of operation, financial reporting, compliance with laws and applications etc., which is supplemented by Internal Audit conducted regularly to review the adequacy and effectiveness of Internal Control and to suggest improvement. The Audit Committee regularly reviews the significant observations of the Audit and also meets the Company's Statutory Auditors to obtain their observations on Financial Reports and Controls.

4.6 Financials:

A brief of the financial analysis of the Company's operations for the year is given herein above and therefore the same is not repeated.

4.7 Cautionary Statement :

Certain Statements made in the Management Discussion & Analysis may be "Forward-looking statements" within the meaning of applicable securities laws & regulations and actual results may differ materially from those expressed and implied. Factors that could make differences to the Company's operations include competition, price realizations, changes in the Government policies and regulations, tax regimes, economic development within India and other incidental factors.

5. CHANGE IN CAPITAL STRUCTURE AND LISTING OF SHARES :

During the year under review, the Company issued and allotted 65,20,000 shares to Non Promoter Foreign Investors in compliance with SEBI (ICDR) Regulations, 2009, on repatriation basis, to raise funds to undertake substantial expansion of operational activities, to meet a part of the proposed capital expenditure and to augment long term working capital requirement of the Company. These shares have also been listed on the Bombay Stock Exchange Limited

6. SIGNIFICANT DEVELOPMENTS

During the year, M/s. Jit Sun Investments Pte. Limited Singapore, the Promoter of the Company, transferred its entire shareholding in the Company (1,03,10,000 Equity shares representing 41.37% of the paid up capital of the Company) to its wholly owned subsidiary, M/s. Loyz Oil Pte. Limited, Singapore, with due compliance of SEBI (SAST) Regulation.

As per communication received from M/s Jit Sun Investments Pte Limited (one of the Company's promoters) and Mr. Kenneth Gerard Pereira, they have on 28th April 2010, entered into a Share Purchase Agreement with M/s Sim Siang Choon Limited, a Company listed in the Singapore Stock Exchange, proposing to sell their shareholding (total of 11,934,000 shares) in the Company, in exchange of shares in M/s Sim Siang Choon Limited subject to approval of the relevant authorities in India and Singapore.

7. DIRECTORS' RESPONSIBILITY STATEMENT :

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed;

- i) that in the preparation of the annual accounts, the applicable accounting standards have been followed;
- ii) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year March 31st, 2010 and of the Profit of the Company for the year;
- iii) that the Directors have taken proper and sufficient care to maintain 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;
- iv) that the Directors have prepared the annual accounts on a going concern basis.

8. DIRECTORS :

Mr. Vijay Misra and Mr. Bikash Chandra Bora, the Directors, retire at the ensuing Annual General Meeting and being eligible, they have offered themselves for reappointment.

For perusal of the Shareholders, a brief resume of the Directors being reappointed, their nature of expertise, their shareholding in the Company, the names of the Companies in which they hold directorship and the details of their membership of the Committees of the Board are given as Annexure – I to the notice, as required under clause 49 IV G of the Listing Agreement. The Board recommends their reappointment.

9. CORPORATE GOVERNANCE:

Your Company has complied with the requirements of Clause 49 of the Listing Agreement relating to Corporate Governance in all material respects as applicable, during the year under review.

A report on Corporate Governance, together with a Certificate of its Compliance, forms part of this report in the enclosed Annexure - III.

10. SUBSIDIARY COMPANY:

The Directors' and Auditors' Reports and Accounts of the Subsidiary Company are annexed to this report along with the statement pursuant to Section 212 of the Companies Act, 1956.

11. STATUTORY DISCLOSURES:

11.1 Personnel :

Information under Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975, forms part of this report. However, as per the provisions of Section 219 (1) (b) (iv) of the Companies Act, 1956, the Report and the Accounts is being sent to all shareholders of the Company excluding the aforesaid information. Shareholders interested in obtaining this information may write to the Dy. Company Secretary at the Registered Office of the Company.

11.2 Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo :

As required under Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, statement showing particulars with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo, is given in the enclosed Annexure-II.

11.3 Consolidated Financial Statements:

In accordance with Accounting Standard AS-21, the audited consolidated financial statements are provided in the Annual Report.

12. PUBLIC DEPOSITS:

During the year under review, the Company has not accepted any public deposits as per under Section 58A of the Companies Act 1956.

13. AUDITORS, AUDIT REPORT AND AUDITED ACCOUNTS :

M/s Shirish Desai & Co., Chartered Accountants, retire as Auditors at the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

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

14. ACKNOWLEDGEMENTS :

Your Directors place on record their sincere appreciation for the continued co-operation and support extended by you and the service providers, to the Company. Your Directors would also like to record their gratitude for the support and co-operation received by your Company from agencies of the Government of India namely, Ministry of Petroleum and Natural Gas, Directorate General of Hydrocarbons and Government of Gujarat . Your Directors also express their sincere appreciation to our dedicated employees for their continuing efforts towards the growth of your Company.

For and on behalf of the Board,

**Place: Noida
Date:10-06-2010**

**Bikash Chandra Bora
Chairman**

ANNEXURE - II

Information in accordance with the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March, 2010.

A. CONSERVATION OF ENERGY :

FORM – A

Disclosure of particulars with respect to conservation of energy.

a. Power and Fuel Consumption :

	Current Year 2009-10	Previous Year 2008-09
1. Electricity		
(a) Purchased		
No. of Unit	35162	13930
Total amount (Rs.)	196318	132335
Rate per Unit (Rs.)	5.58	9.50
(b) Own generation	N.A.	N.A.
(i) Through diesel generator		
Unit KWH		
Total amount (Rs.)		
Rate per Unit		
(ii) Through steam turbine/generator	N.A.	N.A.
Units		
Units per liter of fuel oil/gas		
Cost / Unit		
(c) Wind Electricity Generator	N.A.	N.A.
Unit KWH		
Total amount (Rs.)		
Rate per Unit		
2. Coal (specify quality and where used)	N.A.	N.A.
Quantity (tonnes)		
Total Amount.		
Average rate.		
3. L D O	N.A.	N.A.
Quantity (k. ltrs)		
Total Amount.		
4. Other / (Natural Gas)	N.A.	N.A.
Quantity (kg.)		
Total amount (Rs.)		
Rate / Per (kg.) (Rs.)		
5. HI SPEED DIESEL OIL	N.A.	N.A.
Quantity (kg.)		
Total amount (Rs.)		
6. HCR	N.A.	N.A.
Quantity (K.Ltrs)		
Total amount (Rs.)		

b. Consumption per Unit of Production :

	Current Year 2009-2010	Previous Year 2008-2009
Product	Not applicable	Not applicable
Unit	Not applicable	Not applicable
Electricity (units per S.C.M.)	Not Applicable	Not Applicable

B. TECHNOLOGY ABSORPTION :

Research and Development (R&D) :

- Specific areas in which R& D carried out by the Company : Nil
- Benefits derived as a result of the above R&D : N.A.
- Future plan of action : N.A.
- Expenditure on R&D : N.A.

Technology Absorption, Adaptation and Innovations :

- Effort, in brief, made towards technology Absorption, Adaptation and Innovation. : Nil
- Benefits as a result of the above : N.A.
- Information regarding imported technology during last 5 years :
 - Technology imported : No
 - Year of Import : N.A.
 - Has Technology been fully absorbed? : N.A.
 - If not fully absorbed areas where this act not taken place, Reasons therefore and future plans of action. : N.A.

C. Foreign Exchange Earning and Outgo :

	2009-10	2008-09
Foreign Exchange Earned	NIL	NIL
Foreign Exchange Used	129.00	52.02

As per our report of even date.

For Shirish Desai & Co.

Chartered Accountants
(Firm Registration No. 112226W)

Dilip K. Thakkar
Partner
Membership No. 31269

For and on behalf of the Board

Kenneth Gerard Pereira
Managing Director

Vijay Misra
Director

Place : Noida
Date : 10-06-2010

Gopal Srinivasan
Chief Finance Officer

Bharat Patel
Dy. Company Secretary

ANNEXURE-III**REPORT ON CORPORATE GOVERNANCE**

In compliance with Clause 49 of the Listing Agreement entered into with the Bombay Stock Exchange Ltd, the Company hereby submits the report on the matters mentioned in the said Clause and lists the practices followed by the Company.

1. Company's Philosophy on Code of Corporate Governance :

Interlink Petroleum Limited's philosophy on Corporate Governance envisages working based on transparency, accountability, consistent value systems, delegation across all facets of its operations leading to sharply focused and operationally efficient growth. The business operations are conducted to benefit its stakeholders.

The Company is in compliance with the requirements of the revised guidelines on Corporate Governance stipulated under Clause 49 of the Listing Agreement entered in to with the Bombay Stock Exchange Limited.

2. Board of Directors :

The Board of directors comprises of Six Directors (one Non-Executive Chairman, two Non Executive Independent Directors, one Executive and two Promoter Directors) as on 31st March, 2010. The composition of the Board was in conformity with Clause 49 of the Listing Agreement entered into with the Bombay Stock Exchange Limited.

None of the directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees as specified in Clause 49, across all the Companies in which they are Directors. Necessary disclosures regarding Committee position in other public limited companies as at 31st March, 2010 have been made by all the Directors.

Mr. Bikash Chandra Bora, the Chairman, is an Independent Director of Gujarat Gas Company Limited and Director of Assam Hydrocarbon and Energy Company Limited. Mr. Arun Agarwal, Director, is a Director of Taurus Portfolio Limited. Mr. Kenneth Gerard Pereira is the Director of Ecofuture Berhad, Malaysia and Hibiscus Ventures Sdn. Bhd., Malaysia. Whereas Mr. Lee Chye Cheng Adrian is a Director in Moonshine Investment International Limited None of the other directors of the Company is currently a director of any other public limited company or member of any committee thereof

A brief resume of the directors being re-appointed at the Annual General Meeting, the nature of their expertise in specific functional areas and names of companies in which they hold directorship and membership of the committees of the Board are annexed to the notice calling the ensuing Annual General Meeting.

The names and categories of the Directors, their attendance at Board Meetings and Annual General Meeting, Directorships held by them in companies / committees including those of your company, private and foreign companies as on 31st March, 2010 are given below :

Name of Director	Category of Director	No. of Directorship in Companies	No. of Committee membership	
			Chairman	Member
Bikash Chandra Bora	Non Executive Independent	4	2	1
Vijay Misra	Promoter Non Executive	3	-	-
Lee Chye Cheng Adrian	Promoter Nominee & Non Executive	5	-	-
Lai Kai Jin Michael	Non Executive Independent	3	-	3
Arun Agarwal	Non Executive Independent	4	1	2
Kenneth Gerard Pereira	Non Promoter Executive	3	-	-

The above details include membership and chairmanship of the Audit Committees and Shareholders' Grievance Committees. Number of membership / chairmanship of all the directors in the Board Committees are in compliance with the Corporate Governance Code.

Board Meetings :

During the year 2009-10, the Board met 7 times on 20-04-2009, 24-05-2009, 15-06-2009, 17-07-2009, 04-08-2009, 27-10-2009 and 20-01-2010.

The longest gap between any two Board Meetings did not exceed four months.

Details of attendance of the Directors at the Board Meetings held during the year 2009-10 and at the last Annual General Meeting are given below.

Name of Directors	No. of Board Meetings held	No. of Board Meeting Attended	Whether attended last Annual General Meeting
Bikash Chandra Bora	7	7	Yes
Vijay Misra	7	7	Yes
Lee Chye Cheng Adrian	7	2	Yes
Lai Kai Jin Michael	7	1	Yes
Arun Agarwal	7	7	No
Kenneth G. Pereira	7	3	Yes

Brief resume of the Directors proposed to be reappointed are given in the explanatory statement annexed to the notice convening the Annual General Meeting.

The Board Meetings are generally held in Noida, where the Corporate Office of the Company is located. The calendar of the Board Meetings is approved in advance for each year. The Board meets at least once a quarter with a gap between two meetings not exceeding four months. It has remained the practice of the Company to place before the Board, all the matters listed in Annexure 1A to clause 49 of the Listing Agreement. The Board agenda papers and other explanatory notes are circulated to the Directors in advance. Draft Minutes of the Meetings of the Board of Directors and its Committees are circulated to the Directors for their comments before being recorded in the minutes books. The Directors also have access to all the information about the company and are free to recommend inclusion of any matters in the agenda for discussion. Senior management personnel are invited to attend the Board Meetings and provide clarification as and when required.

Shareholding of Directors as of 31st March, 2010

Sr. No.	Name of Directors	No. of shares held
1.	Vijay Misra	4,11,900
2.	Kenneth Gerard Pereira	16,24,000

None of the directors hold any shares in the Company.

Code of Conduct :

The Board of Directors has laid down the Code of Conduct applicable to all Board Members and Senior Executives of the Company. All Board Members and Senior Executives have affirmed compliance of the Code of Conduct. A declaration by the Managing Director to this effect is given at the end of this report.

3. Audit Committee :

Audit Committee of the Company comprises of three Non-Executive Independent Directors viz. Mr. Bikash Chandra Bora, Mr. Lai Kai Jin Michael and Mr. Arun Agarwal, with Mr. Arun Agarwal as the Chairman of the Committee.

The primary objective of the Audit Committee is to monitor and effectively supervise the Company's financial reporting process with a view to provide accurate, timely and proper disclosures and the integrity and quality of the financial reporting.

The constitution of Audit Committee also meets with the requirements of Section 292A of the Companies Act, 1956 and Clause 49 (II) of the Listing Agreement and the terms of reference stipulated by the Board for the Audit Committee cover the matters specified therein.

Vice President (Corporate affairs & Ops) and Statutory Auditors of the Company attend the Audit Committee meetings on invitation.

During the financial year ended on 31st March, 2010, 5 Audit Committee Meetings were held on 24-04-2009, 15-06-2009, 17-07-2009, 04-08-2009, 27-10-2009 and 20-01-2010.

Attendance at the Audit Committee Meetings is as under :

Name of the Directors	No. of meetings	
	Held	Attended
Arun Agarwal	5	5
Bikash Chandra Bora	5	5
Lai Kai Jin Michael	5	1

4. Shareholders'/Investors' Grievance Committee:

Shareholders' / Investors' Grievance Committee of the Company comprises of Three Non Executive Independent Directors viz. Mr. Bikash Chandra Bora, Mr. Arun Agarwal, Mr. Lai Kai Jin Michael with Mr. Bikash Chandra Bora as the Chairman of the Committee.

The Committee, inter alia, oversees and reviews all matters connected with the securities issued by the Company and looks into shareholders' grievances. The Committee oversees the performance of the Secretarial Department and working of the Registrar and Share Transfer Agent of the Company and recommends measures for overall improvement in the quality of investor service.

The Company has appointed Mr. Bharat Patel and Mr. Jayesh Vyas as the Compliance Officers.

During the year 22 complaints were received out of which 4 complaints relating to issue of duplicate share certificates are pending receipt of requisite documents from the Shareholders as of 31st March, 2010. No request for Dematerialisation was pending for approval as on that date for a period exceeding 21 days.

During the financial year ended on 31st March, 2010, four Shareholders'/ Investors' Grievance committee meetings were held on 24-04-2009, 17-07-2009, 27-10-2009 and 20-01-2010.

Attendance at the Shareholders'/Investors' Grievance Committee Meetings is as under:

Name of the Directors	No. of meetings	
	Held	Attended
Bikash Chandra Bora	4	4
Arun Agarwal	4	4
Lai Kai Jin Michael	4	1

5. Remuneration Committee :

The Remuneration Committee of the Company comprises of three Non Executive Independent Directors viz. Mr. Bikash Chandra Bora, Mr. Arun Agarwal, Mr. Lai Kai Jin Michael and two Promoter Directors Mr. Lee Chye Cheng Adrian and Mr. Vijay Misra with Mr. Kenneth Gerard Pereira, the Professional Director as members, with Mr. Bikash Chandra Bora, as the Chairman of the Committee.

The Remuneration Committee reviews and recommends the remuneration of the Executive Director and senior management staff of the Company based on their performance and defined assessment criteria. Remuneration Policy of the Company is directed towards rewarding performance, based on the review of achievements. The Remuneration policy is in consonance with the existing industry practice.

The remuneration paid to Executive Director is recommended by the Remuneration Committee and approved by the Board of Directors in the Board Meeting, subject to the approval by the Shareholders at the Annual General Meeting and Central Government.

During the financial year ended on 31st March, 2010, one meeting of the Remuneration Committee was held on 04-08-2009 where Mr. Bikash Chandra Bora and Mr. Arun Agarwal were present to consider appointment of Mr. Kenneth Gerard Pereira as the Managing Director and payment of remuneration to him.

Details of remuneration paid to Managing Director during 2009-10 :

The details of managerial remuneration paid to the Mr. Kenneth Gerard Pereira the Managing Director for the year ended 31st March, 2010 are as under :

Particulars	in Rs.
Salary	0.00
Perquisites – Contribution to PF, Gratuity, Leave Encashment, Medical reimbursement and Non-competence fee paid	0.00
Total*	0.00

(* Monthly Salary is Rs.1/- only.)

Tenure : 3 years from 4th August, 2009

Notice period : The appointment can be terminated by either party by giving three months' notice in writing.

Details of sitting fees paid during the year :

Sitting fees is being paid to the non executive directors attending Meetings at the rate of Rs.5,000/- per Board Meeting and Rs.2,500/- per Committee Meeting attended.

During the year, Sitting fees was paid only to non executive directors for attending Board / Committee meetings is as under :

Name of Directors	Sitting Fees paid (in Rs.)
Bikash Chandra Bora	67,500.00
Arun Agarwal	70,000.00
Vijay Misra	45,000.00
Lee Chye Cheng Adrian	10,000.00
Lai Kai Jin Michael	10,000.00
Kenneth Gerard Pereira *	5,000.00

* No sitting fee was paid to Mr. Kenneth Gerard Pereira after his appointment as the Managing Director effective from 04-08-2009.

There were no other pecuniary relationship or transactions of the Non Executive Directors vis-à-vis the Company, except payment of Lease Rent of Rs. 1,31,000 p.m. to relatives of Mr. Vijay Misra, the Director, in respect of Office and Warehouse premises availed by the Company on lease.

The Company has not granted any stock option to any of its Directors.

6. General Body Meetings:

Particulars of the last three Annual General Meetings (AGM) / Extra Ordinary General Meetings (EGM) held are as under.

Date	Time	Place	Special Resolution
16-02-2010 (EGM)	11.00 a.m.	Sports Club, Sector 15A Noida, UP	1. Issue of Equity Shares on Preferential Basis 2. Increase in Authorised Share Capital 3. Alteration of Memorandum of Association
01-09-2009 (AGM)	2.00 p.m.	Auditorium of Central Gujarat Chamber of Commerce, Race Course, Baroda	Appointment of Mr. Kenneth Pereira as Managing Director for a period of 3 years from 4-8-2009
04-06-2008 (AGM)	11.30 a.m.	As above	1. Issue of Equity Shares on Preferential Basis. 2. Increase in Authorised Share Capital 3. Alteration of Memorandum of Association

In terms of Section 192A of the Companies Act, 1956 and the Companies (Passing of the Resolutions by Postal Ballots) Rules 2001, Postal ballots process was carried out to avail the consents of Shareholders on proposals of (i) vesting of authority upon Board to create charge and / or mortgage on all or any assets of the Company in favour of lenders / trustees for securing borrowing in favour of lender/s and (ii) Shifting of Registered Office of the Company from the State of Gujarat to the State of Delhi. Both the proposals were unanimously carried by requisite majority.

7. Disclosures :

There was no related party transactions i.e. transactions of the Company of material nature with its promoters, the directors or the management, their relatives etc. that may have potential conflict with the interest of the Company at large.

There were no instances of non-compliance and no stricture and penalties have been imposed on the Company by the Stock Exchange or SEBI or any statutory authority on any matter related to the Capital Market during the last three years.

Code of conduct :

Your Company has implemented a code of conduct based on its business principles alongwith implementation frame work for its directors and senior management of the Company. The Code of conduct has also been posted on the Companies Website. In compliance with the Code, the Board of Directors and Senior Management Personnel of the Company have affirmed compliance with the code for the year ended 31st March, 2010 to this effect signed by the Managing Director, forms part of this Annual Report.

8. Means of communication :

The annual and quarterly results are regularly published by the Company in Vadodara Samachar (Gujarati) and Business Standard (English) News Papers and submitted to the Bombay Stock Exchange Limited as per the requirements of Listing Agreement entered into with it. Financial Results are supplied through E-Mail and mail to the shareholders on demand.

The Management Discussion and Analysis (MD&A) is a part of the Annual Report.

Compliance of Mandatory Requirements :

The Company has complied with all mandatory requirements as stipulated in Clause 49 of the listing agreement with the Bombay Stock Exchange Limited

Compliance of Non Mandatory Requirements :

The Company has adopted the non-mandatory requirements as regards the provisions relating to the Remuneration Committee and Whistle Blower policy. The Company affirms that no employee has been denied access to the Audit Committee. As regards the other non-mandatory requirements, the Board has taken notice of the same and shall consider adopting the same as and when necessary.

9. General Shareholder information:

9.1 Annual General Meeting:

Date and Time	:	Friday the 3 rd September, 2010 at 3.00 p.m.
Venue	:	Dr. I G Patel Seminar Hall, Faculty of Social Work M. S. University, Opp. Fateh Gunj Post Office, Fateh Gunj, Vadodara-390002

9.2 Financial Calendar :

Board Meeting to approve results	Period
For quarter ending June 30, 2010	By August 14, 2010
For quarter ending September 30, 2010	By November 13, 2010
For quarter ending December 31, 2010	By February 14, 2011
For quarter ending March 31, 2011	By May 14, 2011
Audited Results for the year 2010-11	By end of August, 2011

9.3 Dividend Payment Date	:	Not Applicable
9.4 Dividend Remittance	:	Not Applicable
9.5 Details of Book Closure	:	Wednesday, 1 st September, 2010 to Friday, 3 rd September, 2010 (Both the days inclusive)
9.6 Listing of Equity Shares	:	The Bombay Stock Exchange Limited (BSE)
9.7 Stock Code		
Bombay Stock Exchange Scrip Code	:	526512
Trading Symbol Bombay Stock Exchange Limited (Demat Segment)	:	INTERLINKPE
Demat ISIN Number	:	INE959G01016

9.8 Stock Market Data : Monthly High & Low prices and comparison with BSE Sensex

Months	Share Price of Interlink Petroleum Limited			BSE Sensex	
	High	Low	Volume	High	Low
April, 2009	12.50	8.50	33,400	11,492.10	9,546.29
May, 2009	15.85	9.49	81,300	14,930.54	11,621.30
June, 2009	22.20	14.85	1,54,800	15,600.30	14,016.95
July, 2009	27.25	16.35	3,41,800	15,732.81	13,219.99
August, 2009	39.05	20.10	2,87,800	16,002.46	14,684.45
September, 2009	38.45	29.50	2,38,300	17,142.52	15,356.72
October, 2009	39.15	31.00	1,43,900	17,493.17	15,805.20
November, 2009	31.85	27.40	91,900	17,290.48	15,330.56
December, 2009	38.85	27.05	1,12,700	17,530.94	16,577.78
January, 2010	35.90	28.25	1,72,200	17,790.33	15,982.08
February, 2010	36.90	29.05	1,28,900	16,669.25	15,651.99
March, 2010	41.90	31.55	1,87,300	17,793.01	16,438.45

9.9 Share Transfer System :

Presently, the share transfers, which are received in physical form, are processed and the share certificates are returned within a period of 30 days from the date of receipt, subject to the documents being valid and complete in all respects. All requests for Dematerialisation of shares are processed and confirmation is given to the respective depositories, i.e. National Securities Depository Ltd (NSDL) and Central Depository Services Limited (CDSL) within 21 days.

9.10 Distribution of Shareholding as on 31st March, 2010.

Nominal value of Shareholding (in Rs.)	No of shareholders	% of total shareholders	No. of shares	% of total shares
Up to 5000	7,561	85.10	18,32,763	7.35
05001 to 10000	840	9.45	6,40,100	2.58
10001 to 20000	241	2.71	3,67,800	1.48
20001 to 30000	72	0.81	1,84,287	0.74
30001 to 40000	37	0.42	1,35,300	0.54
40001 to 50000	31	0.35	1,50,400	0.60
50001 to 100000	45	0.51	3,59,700	1.44
100001 and above	58	0.65	2,12,50,850	85.27
Total	8,885	100.00	2,49,21,200	100.00

The Company has not issued any GDRs /ADRs /Warrants or any convertible instrument.

9.11 Dematerialisation of Shares:

55,25,200 (22.17%) Equity Shares of the Company have been dematerialized up to 31st March, 2010

- 9.12 Plant locations :**
- (i) GCS Baola, Village : Salajda, Tal.: Baola, Dist. Ahmedabad, Gujarat.
 - (ii) Modhera Block, Village : Modhera, Dist. Mehsana, Gujarat.

9.13 Address for Correspondence :

Link Intime India Private Limited

Unit : Interlink Petroleum Limited,
308, Jaldhara Complex,
Opp Manisha Society,
Vasna Road, Vadodara – 390 015.
Tel: 2250241/46, Telefax: 0265-2250246
Email : alpesh.gandhi@linkintime.co.in;

Secretarial Dept.

Interlink Petroleum Limited
1-B, Premal-Jyot, Sarabhai Colony, Gotri Road,
Near General Hospital, Vadodara – 390 021.
Phone : 0265- 3298171 M - 09376212649
Email : secretarial@interlinkpetroleum.com
jayconsultancy@hotmail.com

9.14 Group falling within the definition of "Group" as defined under SEBI (Substantial Acquisition of Shares and Takeover) Regulation, 1997 and in the Monopolies and Restrictive Trade Practices Act, 1969 (54 of 1969).

The following persons constitute the Group falling within the definition of Group as defined under SEBI (Substantial Acquisition of Shares and Takeover) Regulation, 1997 and in the Monopolies and Restrictive Trade Practices Act, 1969 (54 of 1969), which exercises, or is established to be in a position to exercise, control, directly or indirectly, over the Company.

- a) Jit Sun Investments Pte. Limited
- b) Loyz Energy Pte. Limited
- c) Loyz Oil Pte. Limited

10. Compliance :

The Company has complied with the mandatory requirements of the Corporate Governance Code. The Board has been reviewing the implementation of the non mandatory requirements of the Corporate Governance Code, from time to time. Certificate of Practicing Company Secretary with regard to compliance with the Corporate Governance Code, for the year 2009-10, is annexed to this report.

For Interlink Petroleum Limited

**Place : Noida
Date : 10-06-2010**

**Kenneth Gerard Pereira
Managing Director**

Declaration

As provided under Clause 49 of the Listing Agreement entered into by the Company with Bombay Stock Exchange Ltd, it is hereby declared that all the Board Members and Senior Executives of the Company have affirmed compliance with the Code of Conduct for the year ended 31st March, 2010

For Interlink Petroleum Limited

**Place : Noida
Date : 10-06-2010**

**Kenneth Gerard Pereira
Managing Director**

Certificate of Practicing Company Secretary

To,
The members
Interlink Petroleum Limited
Vadodara.

I have examined the compliance of conditions of Corporate Governance by Interlink Petroleum Limited for the year ended on 31st March, 2010 as stipulated in Clause 49 of the Listing Agreement entered in to with Bombay Stock Exchange Limited

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

I state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Shareholders' Investors' Grievance Committee.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For Jayesh Vyas & Associates
Practicing Company Secretary**

**Place : Vadodara
Date : 09-06-2010**

**(Jayesh Vyas)
Proprietor
F C S -5072;C P - 1790**

Certificate

- To,
- The Board of Directors,
Interlink Petroleum Limited
Vadodara.
- We, Kenneth Gerard Pereira, the Managing Director and Gopal Srinivasan, the Chief Finance Officer, of Interlink Petroleum Limited, hereby certify to the Board that:
- a. We have reviewed financial statements and the cash flow statement for the financial year ended 31st March, 2010 and that to the best of our knowledge and belief :
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading,
 - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations,
 - b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct
 - c. We are responsible for establishing and maintaining internal controls for financial reporting in Interlink Petroleum Limited and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
 - d. We have indicated to the Auditors and the Audit Committee
 - i. significant changes in internal control over financial reporting during the year;
 - ii. significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.
 - e. We affirm that we have not denied any personnel access to the Audit Committee of the Company in respect of matters involving alleged misconduct.
 - f. We further declare that all Board members and senior management have affirmed compliance with the Company's Code of Conduct for the financial year ended 31st March 2010.

For Interlink Petroleum Limited

Place: Noida
Date: 10-06-2010

Kenneth Gerard Pereira
Managing Director

Gopal Srinivasan
Chief Finance Officer

AUDITORS' REPORT

To the Members of
INTERLINK PETROLEUM LTD.

1. We have audited the attached Balance Sheet of Interlink Petroleum Limited ('The Company') as at 31st March, 2010 and the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 as amended by Companies (Auditor's Report) (Amendment) Order, 2004 (together 'The Order') issued by the Central Government Of India in terms of sub- section (4A) of Section 227 of the Companies Act, 1956, and on the basis of information and explanation given to us, and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we give in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said order.

Further to our comments in the Annexure referred in paragraph (3) above, we report that:

- i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
- ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- iii) The Balance Sheet and Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956, subject to the qualifications & notes to accounts;
- v) On the basis of the written representations received from the directors as on 31st March 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2010 from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956.
- vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the significant accounting policies and notes on accounts give the information required by the Companies Act, 1956 in the manner so required and present a true and fair view in conformity with the accounting principles generally accepted in India;
 - a) In the case of the balance sheet, of the state of affairs of the Company as at 31st March, 2010;
 - b) In the case of the profit and loss account, of the profit for the year ended on that date; and
 - c) In the case of the cash flow statement, of the cash flows for the year ended on that date.

For, Shirish Desai & Co.
Chartered Accountants
(Registration No 112226W)

Place : Noida
Date: 10/06/2010

Dilip K. Thakkar
Partner
Membership No.31269

ANNEXURE TO THE AUDITORS' REPORT
REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE

- 1) In Respect of its fixed assets:
 - a. Proper records of fixed assets are maintained.
 - b. Physical verification of the fixed assets has been conducted by the management during the year. There were no discrepancies between physical count and fixed assets as per the records.
 - c. The company has disposed off some of its fixed assets during the year. As per the information and explanation given to us on our enquiries the disposal of assets during the year was not substantial so as to have an impact on the operations of the company or affect its going concern.
- 2) In Respect of its inventories
 - a. The Company is currently in the business of extraction of crude oil and natural gas from the field, which is supplied as and when it is extracted. So there is no storage of crude oil or natural gas available and hence physical verification of natural gas stock is not applicable. However, stores and spare parts have been physically verified by the management at reasonable intervals during the year.
 - b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c. In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventories. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- 3) In respect of loans, secured or unsecured, granted or taken by the Company to/from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956;
 - a. The company has taken loan from M/s Jit Sun Investments Pte Limited Covered under registered maintained under section 301 of the companies act 1956. The opening balance of the same was Rs.12.33 Lacs and its closing balance is Rs.9.57 Lacs. The maximum balance during the year was Rs. 12.33 Lacs. The loan taken is interest free and other terms and conditions on which the loan has been taken are not prima facie prejudicial to the interest of the company. In respect of loan taken, whether the amount has been repaid regularly or not cannot be commented upon, as there is no stipulation as regards to the repayment of the amount.
 - b. The company has given deposits to one company and one party covered in register maintained under section 301 of the Companies Act 1956. The maximum amount involved during the year was Rs.4.74 lacs and the year end balance of loan and deposits granted to such parties was Rs.4.74 lacs. The loan and deposit given is interest free and other terms and conditions on which the loan and deposit has been given are prima facie not prejudicial to the interest of the company. In respect of loan given, whether the amount has been received regularly or not cannot be commented upon, as there is no stipulation as regards to the repayment of the amount. However, the deposit given is receivable at the end of the lease period.
- 4) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and nature of its business for purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
- 5) In respect of transaction covered under section 301 of the Companies Act, 1956;
 - a. In our opinion and according to the information and explanations given to us, the transaction made in pursuance of contracts or arrangements, that needed to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.

- b. In our opinion and according to the information and explanations given to us, for purchase of services made in pursuance of contracts or arrangements entered in to the Register in pursuance of Section 301 of Act and exceeding the value of Rupees Five Lacs in respect of each party during the year, no comparison of prices could be made available as the services are of special nature. There were no purchase of goods and materials, and sale of goods, materials and services during the year.
- 6) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits within the meaning of Section: 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public.
- 7) In our opinion and according to the information and explanations given to us the internal audit functions carried out during the year by a firm of Chartered Accountants appointed by the management have been commensurate with the size of the Company and nature of its business.
- 8) We have been informed that the Central Government has not prescribed maintenance of cost records under Section 209(1) (d) of the Companies Act, 1956 for the product of the company.
- 9) According to the information and explanations given to us in respect of statutory and other dues:
 - a. We are informed that the provisions of Employees' Provident Fund Act & Employees' State Insurance Act, 1948 are not applicable to the Company during the year. According to the records of the Company, undisputed statutory dues including Investors' Education and Protection Fund, Income-tax, Sales-tax/ VAT, Wealth Tax, Custom Duty, Service Tax, Excise Duty, Cess, Fringe Benefits Tax and other material statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2010 for a period of more than six months from the date of becoming payable.
 - b. According to the information and explanations given to us, no disputed amounts payable in respect of income-tax, wealth-tax, sales-tax/ vat, Customs duty, excise duty, service tax, fringe benefits tax and cess were in arrears, as at 31st March, 2010.
- 10) The accumulated losses of the Company are not more than fifty percent of its net worth. The company has not incurred a cash loss during the financial year covered by our audit and in the immediately preceding financial year the company had incurred the cash Loss amounting to Rs. 180.78 lacs. In arriving at the accumulated losses and net worth, we have considered the qualifications which are quantifiable in the audit report.
- 11) According to records of the company, the company has not borrowed from financial institutions/banks or has issued debentures till 31st March 2010. Hence, in our opinion the question of reporting on default in repayment of dues to financial institution/banks or debentures does not arise.
- 12) According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the provisions of clause 4 (xii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- 13) In our opinion the Company is not a chit fund or a nidhi / mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- 14) In our opinion, the Company is not dealing or trading in shares, securities, debentures and other investments. As such the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.

- 15) Based on examination of documents and records made available and on the basis of information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- 16) According to the records of the Company, the company has not obtained any term loans. Hence, comments under the clause are not called for.
- 17) According to information and explanations given to us and on an overall examination of the balance sheet of the Company, in our opinion, there are no funds raised on a short term basis, which has been used for long term purpose.
- 18) During the year, the Company has made preferential allotments of 6,520,000 equity shares of face value of Rs. 10 each at a price of Rs. 33 per share. In our opinion, the price of Rs. 33 per share at which the allotment has been made is as per the applicable regulations and is not prejudicial to the interest of the company.
- 19) The Company has neither issued nor has any outstanding debentures during the year.
- 20) The Company has not raised any money by way of public issue during the year.
- 21) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company which is material in amount and nature has been noticed or reported during the course of our audit

For, Shirish Desai & Co.
Chartered Accountants
(Registration No 112226W)

Place : Noida
Date: 10/06/2010

Dilip K. Thakkar
Partner
Membership No.31269

BALANCE SHEET AS AT 31ST MARCH, 2010

	Schedule	As At 31/03/2010 Rs.	As At 31/03/2009 Rs.
SOURCES OF FUNDS :			
SHAREHOLDERS' FUNDS			
Share Capital	1	249212000	184056000
Reserves & Surplus	2	219287200	69283200
LOAN FUNDS			
Secured Loans		NIL	NIL
Unsecured Loans	3	NIL	11423203
TOTAL		468499200	264762403
APPLICATION OF FUNDS :			
FIXED ASSETS			
Gross Block	4	22890940	27081011
Less : Accumulated Depreciation		9192912	10897905
Net Block		13698028	16183106
Capital Work-In-Progress	5	126325070	17300424
		140023098	33483530
INVESTMENTS	6	3528	3528
CURRENT ASSETS, LOANS AND ADVANCES			
Sundry Debtors		NIL	NIL
Cash & Bank Balances	7	253390426	151799729
Loans & Advances	8	4934043	2379754
		258324469	154179483
Less: Current Liabilities and Provisions	9	16741355	10459173
NET CURRENT ASSETS	10	241583114	143720310
MISC. EXPENDITURE			
(to the extent not Written off or Adjusted)		1095436	873908
PROFIT & LOSS A/C			
		85794024	86681127
TOTAL		468499200	264762403
Significant Accounting Policies & Notes Forming Part of the Accounts	14		

As per our report of even date.

For Shirish Desai & Co.
Chartered Accountants
(Registration No. 112226W)

Dilip K. Thakkar
Partner
Membership No. 31269

Place : Noida
Date : 10-06-2010

For and on behalf of the Board,

Kenneth G. Pereira
Managing Director

Vijay Misra
Director

Gopal Srinivasan
Chief Finance Officer

Bharat Patel
Dy. Company Secretary

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2010

	Schedule	Year Ended 31/03/2010 Rs.	Year Ended 31/03/2009 Rs.
INCOME			
Other Income	11	11527610	6688181
TOTAL (A)		11527610	6688181
EXPENDITURE			
Operating & Other Expenses	12	10064313	23441210
Interest and Financial Charges	13	24511	359815
Depreciation	4	258018	786371
Preliminary & Deferred Revenue-Exp. written off	10	328472	769745
TOTAL (B)		10675314	25357141
PROFIT / (LOSS) BEFORE TAX (A-B)		852296	(18668960)
Provision for Income Tax		NIL	NIL
Provision for Fringe Benefit Tax		NIL	181150
PROFIT / (LOSS) AFTER TAX		852296	(18850110)
Balance brought forward from previous year		(86681127)	(67047234)
Short Provision of Income Tax of Earlier Years		NIL	783783
Add : Excess provision for FBT of earlier years written back		34807	NIL
Balance Carried To Balance Sheet		(85794024)	(86681127)
Earning Per Share - basic & diluted		0.04	(1.21)
Significant Accounting Policies & Notes			
Forming Part of the Accounts	14		

As per our report of even date.

For Shirish Desai & Co.
Chartered Accountants
(Registration No. 112226W)

Dilip K. Thakkar
Partner
Membership No. 31269

Place : Noida
Date : 10-06-2010

For and on behalf of the Board,

Kenneth G. Pereira
Managing Director

Vijay Misra
Director

Gopal Srinivasan
Chief Finance Officer

Bharat Patel
Dy. Company Secretary

Schedules Forming Part Of Financial Statements

	AS AT 31/03/2010 Rs.	AS AT 31/03/2009 Rs.
Schedule 1 : SHARE CAPITAL		
AUTHORISED		
3,00,00,000 (Previous .Year 1,90,00,000) Equity Shares of Rs. 10 Each	300000000	190000000
TOTAL	300000000	190000000
ISSUED, SUBSCRIBED AND PAID UP		
2,49,21,200 (Previous Year 1,84,10,000) Equity Shares of Rs. 10 each fully paid up	249212000	184100000
Less : Calls in Arrears	NIL	44000
TOTAL	249212000	184056000
Schedule 2 : RESERVES & SURPLUS		
Securities Premium	219243200	69283200
Share Forfeiture Account	44000	NIL
TOTAL	219287200	69283200
Schedule 3 : UNSECURED LOANS		
Deposit from Customers	NIL	2390032
Interest free Inter Corporate Deposit	NIL	9033171
TOTAL	NIL	11423203

Schedule 4 : FIXED ASSETS

Sr. No.	Description	Rate of Dep. (%)	Gross Block			Depreciation			Net Block		
			As at 01/04/09	Addition During the Year	Ded. during the Year.	As at 31/03/10	As at 01/04/09	For the Year	Ded. during the Year	Upto 31/03/10	As at 31/03/10
1	Office Building	1.63%	1470270	NIL	1470270	NIL	331288	14978	346266	NIL	1138982
2	Office Equipment	4.75%	1404459	114029	325823	1192665	206753	62717	186177	83293	1197706
3	Computers	16.21%	2063112	67824	1743965	386971	1713076	93967	1743965	63078	350036
4	Vehicle	9.50%	2007856	NIL	NIL	2007856	868394	190746	NIL	1059140	1139462
5	Furniture & Fixture	6.33%	1585658	209465	1041331	753792	723053	64473	740817	46709	862605
6	Plant & Machinery	5.28%	12452404	NIL	NIL	12452404	5232421	657487	NIL	5889908	7219983
7	Site Building	1.63%	4562252	NIL	NIL	4562252	594920	74364	NIL	669284	3967332
8	Prod. Rights of Baola Gas Field	10%	1535000	NIL	NIL	1535000	1228000	153500	NIL	1381500	307000
	Total		27081011	391318	4581389	22890940	10897905	1312232	3017225	9192912	16183106
	Previous Year		28417112	3157223	4493324	27081011	11059191	1430542	1591828	10897905	16183106

2009-10
(Rs.)

Depreciation for the Year

Less : Capitalised as part of capital work in progress

Charged to Profit and Loss Account

2008-09
(Rs.)

1430542

644171

786371

Schedule 5: CAPITAL WORK IN PROGRESS

Sr. No.	Particulars	Opening Balance As at 01/04/2009	Additions during the year	Transfer to Producing Property	Transfer to Profit & Loss Account	Closing Balance As at 31/03/2010
1	Baola Field	16858262	32718541	NIL	NIL	49576803
2	Modhera Field	442162	76306105	NIL	NIL	76748267
	TOTAL	17300424	109024646	NIL	NIL	126325070
	Previous Year	NIL	17300424	NIL	NIL	17300424

Schedules Forming Part Of Financial Statements

	AS AT 31/03/2010 Rs.	AS AT 31/03/2009 Rs.
Schedule 6: INVESTMENTS- Long Term (At Cost)		
QUOTED (Fully Paid Up)		
587 Equity Shares of Rs. 10/- each of UTI Master Shares- Market Value Rs. 10,006/- (Previous Year Rs.10918)	3460	3460
UnQuoted, At Cost (Fully Paid Up)		
2 Equity Shares of SGD 1 each of wholly owned subsidiary, Interlink Petroleum Pte Limited, Singapore	68	68
TOTAL	3528	3528
Schedule 7 : CASH AND BANK BALANCES		
Cash in Hand	23805	1508269
Balances with Scheduled Banks	12362114	1591146
Balance with Foreign Bank-DBS Bank, Singapore	1713202	1200313
Fixed Deposit with Scheduled Bank (HDFC Bank)	239291305	147500000
TOTAL	253390426	151799729
Schedule 8 : LOANS AND ADVANCES		
Loans and Advances recoverable in cash or kind or for value to be received		
Unsecured and considered Good		
Security Deposits	774500	787328
TDS A.Y.-2008-09	31368	31368
TDS A.Y. 2009-10	1112107	1112107
TDS A.Y. 2010-11	588652	NIL
Advance Tax A.Y.-2010-11-(FBT)	17155	NIL
Prepaid Insurance & Others	179288	158711
Interest Accrued on Fixed Deposits	2230973	290240
TOTAL	4934043	2379754
Schedule 9 : CURRENT LIABILITIES & PROVISIONS		
Sundry Creditors	12398068	8606128
Duties and Taxes	790847	1416579
Provison for Fringe Benefit Tax	Nil	34807
Provisions for employee Benefits	886634	32308
Provisions for expenses	2665806	369351
TOTAL	16741355	10459173
SCHEDULE 10 : MISCELLANEOUS EXPENDITURE		
(To the extent not written off or adjusted)		
A. PRELIMINARY EXPENSES		
Opening Balance	873908	NIL
Addition: During the Year	550000	1092385
Less: Written off during the Year	328472	218477
TOTAL (I)	328472	218477
TOTAL (A)	1095436	873908
B. DEFFERED REVENUE EXPENSE		
Opening Balance	NIL	551268
Less: Written off during the Year	NIL	551268
TOTAL (II)	NIL	551268
TOTAL (B)	NIL	NIL
TOTAL (I+II)	328472	769745
TOTAL (A+B)	1095436	873908

Schedules Forming Part Of Financial Statements

	Year Ended 31/03/2010 Rs.	Year Ended 31/03/2009 Rs.
Schedule 11 : OTHER INCOME		
Bank Deposit Interest	6199079	5563737
Credit Balance written off	172213	1033912
Dividend Income	322	262
Foreign Exchange Gain (Net)	NIL	90270
Inter Corporate Deposit written back	3900000	NIL
Profit from Sale of Assets	1255996	NIL
TOTAL	11527610	6688181
Schedule 12 : OPERATING & OTHER EXPENSES		
Advertisement Exp	14751	288090
AGM & EGM Exp	369684	NIL
Assets written off	440188	NIL
Auditor's Remuneration:		
For Audit Fees	70000	20000
For Other Service	131000	131300
Bad Debts and Loans & Advances given to Ex-Managing Director Written off	NIL	10980800
Business Promotion Expenses	397141	624604
Conveyance	50991	11768
Depository Expenses	89369	22249
Directors' remuneration, perquisites and other Benefits to Ex-Executive Directors	NIL	816198
Director's Remuneration	8	NIL
Director's Sitting Fees	207500	90000
Foreign Exchange Loss (Net)	216911	NIL
Guest House Related Expenses	169119	3551
Insurance Expenses	5341	1676
Labour charges	6600	NIL
Legal Expenses	23263	41807
Listing Fees	37286	88034
Loss on sale of Vehicle	NIL	217326
Membership & Subscription	NIL	12000
Non-Compete Fees to Ex-Executive Directors	NIL	5118291
Office Expenses	458826	30369
Office Renovation	518304	NIL
Postage & Courier Expenses	72159	4505
Power & Fuel	141793	11739
Printing & Stationery	60968	11565
Professional Charges	1795052	2826259
Rent, Rates, & Taxes	1061412	282885
Repairs & Maintenance	108773	31230
Salaries & Wages	1916588	709523
Staff Welfare Expenses	102848	4552
Telecommunication Expenses	509701	24474
Traveling Expenses	999062	1018683
Vehicle Expenses	57725	17732
Website Development charges	31950	NIL
TOTAL	10064313	23441210
Schedule 13 : INTEREST AND FINANCIAL CHARGES		
Bank Charges	5074	25926
Interest Expenses	19437	333889
TOTAL	24511	359815

SCHEDULE 14: SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS:

A) SIGNIFICANT ACCOUNTING POLICIES:

a) BASIS OF PREPARATION:

The financial statements are prepared under historical cost convention on accrual basis of accounting in accordance with the generally accepted accounting principles in India and the mandatory accounting standards issued by The Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956.

b) USE OF ESTIMATES:

The presentation of financial statements requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Differences between the actual results and estimates are recognized in the period in which the results are known / materialized.

c) FIXED ASSETS AND DEPRECIATION :

- i. Fixed Assets are stated at cost, less accumulated depreciation including financing costs till commencement of commercial production. Net changes on foreign exchange contracts and adjustment arising from exchange rate variations attributable to the fixed assets are capitalized.
- ii. Depreciation on fixed assets is provided in accordance with the rates as specified in Schedule XIV to The Companies Act, 1956, on straight-line method, up to 95% of the cost of the assets. Depreciation is charged pro-rata on monthly basis on assets from/up to the month of capitalization/sale, disposal and/or dismantle. Depreciation relating to assets attributable directly to prospecting, exploration and development of oil and gas are capitalized as a part of Capital work in progress or producing properties, as the case may be.
- iii. Intangible assets are recognized only if it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. The intangible assets are recorded at cost and are carried at cost less accumulated amortization

d) VALUATION OF INVENTORIES :

- i. Natural Gas is extracted from field as and when supply of gas is to be made. Hence neither there is any storage of Natural Gas nor any stock of the same.
- ii. The Closing Stock of Crude Oil in saleable condition is valued at Cost or Net Realizable Value less estimated selling costs, whichever is lower.
- iii. Stores and spares are valued at lower of cost or net realizable value.

e) PRELIMINARY EXPENSES:

Preliminary expenses, in the nature of expenses for incorporation of the Company, Public issue expenses and like expenses; are amortized over a period of five years.

f) EXPLORATION AND DEVELOPMENT COSTS:

- i. The Company is following "Full Cost Method" for allocating all costs incurred in prospecting, exploring and developing oil and gas including related interest and depreciation, which are accumulated, as per the guidance note on Accounting for Oil and Gas producing activities issued by the institute of Chartered Accountants of India.
- ii. Exploration Costs involved in drilling and equipping exploratory and appraisal wells and cost of drilling exploratory type stratigraphic test wells are initially accounted for under the head Capital Work In Progress and are capitalized as producing properties when ready to commence commercial production.
- iii. All Costs relating to development wells, development type stratigraphic test wells and service wells are initially accounted for under the head Capital Work In Progress and are capitalized as producing properties when ready to commence commercial production.

- iv. Producing properties are depleted using 'Unit of Production' method based on estimated proved developed reserves. Any changes in Reserves and / or Cost are dealt with prospectively. Hydrocarbon reserves are estimated by the Company following the International Reservoir Engineering Principles and are approved by the appropriate authority(s).

g) IMPAIRMENT OF ASSETS:

At each Balance Sheet date, the Company reviews the carrying amount of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Where the impairment loss subsequently reverses, the carrying amount of the asset (cash generating unit) is increased to the revised estimate of its recoverable amount to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior accounting periods.

h) INVESTMENTS:

Current investments are carried at the lower of cost and quoted / fair value. Long term Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management.

i) RECOGNITION OF INCOME AND EXPENDITURE:

- (i) Revenue from sale of products is recognized on transfer of custody to customers. Any difference as of the reporting date between the entitlement quantities minus the quantities sold in respect of crude oil (including condensate) and gas, if positive, is treated as inventory and, if negative, is adjusted to revenue by recording the same as liability.
- (ii) Sales are inclusive of all statutory levies and taxes that are paid/payable to the government, based on the provisions under various laws and agreements governing Company's activities in the respective field/project.
- (iii) Any payment received in respect of short lifted gas quantity for which an obligation exists to supply such gas in subsequent periods is recognized as Deferred Revenue in the year of receipt. The same is recognized as revenue in the year in which such gas is actually supplied for the quantity supplied or in the year in which the obligation to supply such gas ceases, whichever is earlier.
- (iv) Revenue in respect of interest on delayed realizations is recognized when there is reasonable certainty regarding ultimate collection.
- (v) All income and expenditure items that have material bearing on the financial statements are recognized on accrual basis. However insurance claims are not accounted on accrual basis but are accounted for as and when received.

j) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

k) ACCOUNTING FOR TAXATION:

Income taxes are accounted for in accordance with Accounting Standard 22 AS "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India. Tax expense comprises both current and deferred tax. Current tax is measured at the amount expected to be paid to / recovered from the tax authorities using the applicable tax rates. Deferred tax assets and liabilities are recognized for future tax consequences attributable to timing differences between taxable income and accounting

income that are capable of reversing in one or more subsequent periods and are measured using the relevant enacted tax rates. At each Balance Sheet date, the Company reassesses unrecognized deferred tax assets to the extent they have become reasonably certain or virtually certain of realization, as the case may be.

l) BORROWING COSTS :

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

m) ACCOUNTING FOR RETIREMENT BENEFIT:

The Company has no policy for Leave encashment. Gratuity is accounted for on an accrual basis. All other Post retirement benefits to employees are accounted on cash basis.

n) FOREIGN CURRENCY TRANSACTIONS:

- (i) Foreign Currency transactions on initial recognition in the reporting currency are accounted for at the exchange rates prevailing on the date of transaction.
- (ii) At each Balance sheet date, foreign currency monetary items are translated using the average of exchange rates prevailing on the balance sheet date and non-monetary items are translated using the exchange rate prevailing on the date of transaction or on the date when the fair value of such items are determined.
- (iii) Losses or gains relating to the loans/deferred credits utilized for acquisition of fixed assets are adjusted to the carrying cost of the relevant assets. All the other exchange differences arising on the settlement of monetary items or on reporting of monetary items at the rates different from those at which they were initially recorded during the period, or reported in previous financial statements are recognized as income or expenses in the period in which they arise.

o) SITE RESTORATION:

Estimated future liabilities relating to dismantling and abandoning of producing well sites and facilities, whose estimated producing life is expected to end during next ten years, is recognized based on the estimated future expenditure determined by the management in accordance with the local conditions and requirements. The corresponding amount is added to the cost of the producing property and is depleted using unit of production method. Any change in the value of the estimated liability is reflected as an adjustment to the provision and the corresponding producing property.

B) NOTES FORMING PART OF ACCOUNTS:

1. Remuneration to the Directors and Managing Directors :-

(Rs. in Lacs)

Particulars	Managing Director		Executive Director	
	2009-10*	**2008-09	2009-10	**2008-09
Salary	—	1.53	—	1.23
Perquisites	—	6.13	—	—
Consultancy Charges	—	—	—	—
Non-Competence Fee	—	—	—	51.18
Gratuity & Leave Encashment	—	—	—	6.66
Total	—	7.66	—	59.07

* Kenneth Gerard Pereira, Managing Director was in receipt of a salary of Rs.8 only during the year at the rate of Rs.1 per month from 4th August 2009, the date of his appointment.

** Amount Paid to Ex-Chairman and Managing Director and Ex-Executive Director

2. Loans and Advances in the nature of Loans given to Subsidiary:

(Rs. in Lacs)

Name of Company	Nature Of Relation	Nature Of Transaction	As At 31 st March, 2010	Maximum Balance During the Year
Interlink petroleum Pte. Limited	Wholly owned Subsidiary	Loan	1.43	1.43

3. In line with the Policy no. (f) of (A) - Significant Accounting Policies of Schedule 14, the Company, during the year, has capitalized as "Capital Work-in-Progress Exploration Expenses" an amount of Rs.1090.24 Lacs (Previous year Rs.173.00 Lacs). The amount will be transferred to "Producing Property" as and when the underlying fields are ready for commencement of commercial production.
4. Additional information pursuant to provision of paragraph 3 and 4 of part II of Schedule VI of the Companies Act, 1956.

(Rs. In Lacs)

	2009-10	2008-09
a. Payment / Exp. in Foreign Currency	129.00	52.02
b. Foreign Traveling Costs	NIL	NIL
c. Earning in Foreign Currency	NIL	NIL

5. Impairment of Assets :- The Company has examined carrying cost of its identified Cash Generating Units (CGU) by comparing present value of estimated future cash flows from such CGUs, in terms of Accounting Standard – 28 on Impairment of Assets, according to which no provision for impairment is required as assets of none of CGUs are impaired as on 1st April, 2009. There have been no indications of impairment during the financial year ended 31st March, 2010.
6. During the year, the Company has written off Fixed Assets comprising Furniture and Fixture, Computers and Office Equipment having written down value of Rs.4.40 Lacs (Previous Year Rs. Nil) as the same has no further useful life.
7. (a) During the year, the Company had re-classified the amounts lying under the head "Unsecured Loans" amounting to Rs.114.23 Lacs as "Current Liabilities".
 (b) The Company had made a payment of Rs.39 Lacs in full and final settlement of the amount due towards inter-corporate deposit of Rs. 78 Lacs, which was transferred to Current Liabilities as stated in 7 (a) above. The balance amount of Rs.39 Lacs has been shown as an income during the year.
8. (a) During the year, the Company has issued 6,520,000 Equity Shares having face value of Rs.10 per share on preferential allotment basis at a premium of Rs.23 per share. Accordingly, the amount received against the same has been accounted for under the Head "Share Capital Account" and "Share Premium Account" respectively. Simultaneously, the Company also enhanced its Authorised Share Capital from Rs.1900 Lacs in the previous year to Rs.3000 Lacs.
 (b) During the year, the Company forfeited 8800 shares towards which an amount of Rs.44,000 remained as calls-in-arrears. An amount of Rs.44,000 that was received against the shares which was remaining under the head "Share Capital Account" was forfeited and transferred to Share Forfeiture Account under the head "Reserves and Surplus".
9. The Company is engaged in extraction of natural oil and gas only and therefore there is only one reportable segment in accordance with Accounting Standard 17.
10. The Company has substantial carried forward losses and unabsorbed depreciation. In view of the absence of virtual certainty of realization of carried forward tax losses, the Company has not created any deferred tax asset / liabilities as envisaged in AS-22 on Taxes of Income issued by The Institute of Chartered Accountants Of India.

11. Payment to Auditors

(Rs. In Lacs)

	2009-10	2008-09
Audit fees	0.60	0.10
Tax Audit Fees	0.10	0.10
Other Services	1.31	1.31
Total*	2.01	1.51

*Auditors' remuneration excludes Rs.1.40 Lacs paid to the proprietary firm of a partner (Previous year Rs.1.20 lacs) and Rs.0.40 Lacs paid to Auditors Firm for certification work, which is transferred to Capital Work In Progress as the underlying payment pertains to expenses incurred for the development of Baola and Modhera fields.

12. List of Related Parties:

- a) Associate Companies : Jit Sun Investment Pte Limited
Loyz Oil Pte Limited
Loyz Energy Pte Limited
- Subsidiary : Interlink Petroleum Pte Limited, Singapore
- b) Key Management Personnel and Related parties:
- Managing Director : Mr. Kenneth Gerard Pereira
Director : Mr. Vijay Misra
Mother of Director : Mrs. Sushila Devi
Wife of Director : Mrs. Harpriya Misra

(Rs. in Lacs)

Nature Of Transaction	2009-10	2008-09
Unsecured Loan		
Ex-Chairman and Managing Director Jit Sun Investment Pte Limited	Nil 9.57	109.81 12.33
Managerial Remuneration/Perks		
Ex-Chairman and Managing Director Ex-Executive Director Managing Director*	Nil Nil Nil	7.66 59.07 Nil
Lease rent for office premises and store		
Mrs. Harpriya Misra Mrs. Sushila Devi	0.50 13.97	0.60 7.70
Deposit for lease of office premises		
Mrs. Sushila Devi	Nil	3.30
Sale of asset		
Greenpark Energy Limited	Nil	1.45
Investment/Loans to Subsidiary		
Interlink Petroleum Pte Limited, Singapore	1.43	0.93

* Kenneth Gerard Pereira, Managing Director, received a salary of Rs.8 only during the year at the rate of Rs.1 per month from 4 August 2009, the date of his appointment.

13. Additional Information pursuant to the provisions of paragraph 3, 4C and 4D of part II of Schedule VI of the Companies Act, 1956.

I. Details of Capacity and Production

Class of Goods	Installed capacity (in Cubic Metre)		Production (in Cubic Metre)	
	2009-10	2008-09	2009-10	2008-09
Natural Gas	99,00,000	99,00,000	Nil	Nil

II. Consumption of Raw Materials: NIL

III. Sales & Stock of Finished Goods

Goods	Opening Stock As at 1st April 2009		Closing Stock As at 31st March 2010		Sales Quantity		Sales Value (in Rs. Lacs)	
	Quantity	Value (in Rs. Lacs)	Quantity	Value (in Rs. Lacs)	2009-10	2008-09	2009-10	2008-09
Crude Oil (Barrels)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Natural gas (in Cubic Metre)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

14. In the opinion of directors, the current assets including loans, advances, deposits etc, shall realize the values shown there under, if realized in the normal course of business.
15. The balances of debtors, creditors and loan & advances appearing in the balance sheet are subject to reconciliation and confirmation.
16. a) Sundry Creditors include Rs. Nil (Previous Year Rs. Nil) due to small scale industrial undertakings to the extent such parties have been identified by the Management from available information.
b) The Company has not received any intimation from the 'suppliers' regarding their status under the Micro, Small and Medium Enterprises development Act, 2006 and hence disclosures if any relating to amounts unpaid as at March 31, 2010 together with interest paid / payable as required under the said Act, have not been given.
17. The Company has made a provision of Rs.8.55 Lacs during the year (Previous Year Rs. Nil) towards accrued Gratuity liability in conformity with AS15 on "Accounting for Retirement Benefits" issued by the Institute of Chartered Accountants of India. Part of the provision made amounting to Rs.7.79 Lacs (Previous Year Rs. Nil) has been capitalized as a part of Capital Work in Progress. The Company does not have a policy for encashment of earned leave. Accordingly, no provision has been made for leave encashment as required to be made.
18. The company has submitted bank guarantees worth Rs.72.17 Lacs to Government of India for 10% of the budget for the year 2009-10, as required under the Production Sharing Contract for Modhera Field. Towards this, the company has provided a lien on Term Deposits with bank worth Rs.78.91 Lacs.
19. Previous year figures have been regrouped and rearranged wherever necessary in order to make them comparable with that of the current year.

As per our report of even date.

For Shirish Desai & Co.
Chartered Accountants
(Registration No. 112226W)

Dilip K. Thakkar
Partner
Membership No. 31269

Place : Noida
Date : 10-06-2010

For and on behalf of the Board,

Kenneth G. Pereira
Managing Director

Vijay Misra
Director

Gopal Srinivasan
Chief Finance Officer

Bharat Patel
Dy. Company Secretary

Balance Sheet Abstract And Company's General Business Profile.
As per provisions of Part IV of Schedule VI of the Companies Act, 1956.

PART IV

I. REGISTRATION DETAILS:

Registration No.:	0 1 6 1 4 1	State Code:	0 4
Balance Sheet Date:	31 03 2010		
	Date Month Year		

II. CAPITAL RAISED DURING THE YEAR: (Amount in Rs. Lacs)

Public Issue:	NIL	Right Issue:	NIL
Bonus Issue:	NIL	Preferential Allotment Of Shares:	652.00

III. POSITION OF MOBILISATION & DEVELOPMENT OF FUNDS: (Amount in Rs. Lacs)

	Total Liabilities	Total Assets
	4684.99	4684.99
Source of Funds	Paid up Capital	Reserve & Surplus
	2492.12	2192.87
	Secured Loans	Unsecured Loans
	NIL	NIL
	Deferred Tax Liability	
	NIL	
Application of Funds	Net Fixed Assets	Investments
	136.98	0.04
	Net Current Assets	Capital Work In Progress
	2415.83	1263.25
	Misc. Expenditure	
	868.89	

IV PERFORMANCE OF COMPANY (Amount in Rs. Lacs)

Turnover	Total Expenditure
115.28	106.76
Profit/(Loss) Before Tax	Profit/(Loss) After Tax
8.52	8.52
Earning per share (Rs.)	Dividend Rate %
0.04	NIL

V. GENERIC NAMES OF PRINCIPAL PRODUCTS/SERVICES OF THE COMPANY (as per monetary terms)

Item Code No. (ITC Code)	2 5 2 3 1 0
Product Description	OIL & GAS EXPLORATION

As per our report of even date.

For Shirish Desai & Co.
Chartered Accountants
(Registration No. 112226W)

Dilip K. Thakkar
Partner
Membership No. 31269

Place : Noida
Date : 10-06-2010

For and on behalf of the Board,

Kenneth G. Pereira
Managing Director

Vijay Misra
Director

Gopal Srinivasan
Chief Finance Officer

Bharat Patel
Dy. Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2010

Particulars	2009-10 (Rs. In Lacs)	2008-09 (Rs. In Lacs)
A) NET CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit /(Loss) Before Taxes adjustment For:	8.52	(186.69)
Loss On Sale/Write off of Fixed Assets	NIL	2.17
Interest Received	(61.99)	(55.64)
Depreciation	2.58	7.86
Depreciation on asset sold	(30.17)	(15.92)
Amortisation of Expenses	3.28	7.70
Interest Expenses	0.19	3.34
Provision for FBT	NIL	(1.81)
(Short)/Excess provision of Income tax/GBT	0.35	(7.84)
Operating Profit / Loss Before Working Capital Adjustments	(77.24)	(246.83)
Loans & Advances	(25.54)	(4.65)
Current Liabilities and Provisions	62.82	4.41
Increase in Miscellaneous Expenditure	NIL	(3.22)
Cash generated from Operations (Ordinary Activities)	(39.96)	(250.29)
B) NET CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received	61.99	55.64
Purchase of Fixed Assets	(3.91)	(31.57)
Sale of Fixed Assets	45.81	44.93
Capital Work in Progress	(1079.71)	(173.00)
Net Cash flow from Investing Activities	(975.82)	(104.00)
C) NET CASH FLOWS FROM FINANCING ACTIVITIES		
Borrowings	(114.23)	(67.57)
Interest Paid	(0.19)	(3.34)
Issue of Shares	651.56	1031.00
Preliminary expense for issue of shares	(5.50)	(10.92)
Securities premium	1500.04	692.83
Net Cash Flow from Financing Activities	2031.68	1642.00
Net increase / (decrease) in cash & cash equivalents (A+B+C)	1015.90	1287.71
Cash and Cash Equivalents as at 1st April, 2009	1518.00	230.29
Cash and Cash Equivalents as at 31st March, 2010	2533.90	1518.00

As per our report of even date.

For Shirish Desai & Co.
Chartered Accountants
(Registration No. 112226W)

Dilip K. Thakkar
Partner
Membership No. 31269

Place : Noida
Date : 10-06-2010

For and on behalf of the Board,

Kenneth G. Pereira
Managing Director

Vijay Misra
Director

Gopal Srinivasan
Chief Finance Officer

Bharat Patel
Dy. Company Secretary

**Statement pursuant to section 212 of the Companies Act, 1956
relating to Subsidiary Company.**

1. Name of the Subsidiary : Interlink Petroleum Pte. Limited
2. Financial year/period ended on : 31st March, 2010
3. No. of equity shares held by Interlink Petroleum Limited in the Subsidiary. : 2 (Two) Equity Shares of SGD \$ 1 each fully paid.
4. Extent of interest of Interlink Petroleum Limited in the capital of the subsidiary : 100%
5. Net Aggregate amount of profits of the subsidiary so far as it concerns the members of Interlink Petroleum Limited, and is not dealt with in the Company's accounts
 - (a) Profit / (Loss) for the financial year ended on 31st March, 2010 of the subsidiary. : SGD \$ (2711), Rs. (88126)
 - (b) Profit / (Loss) for the previous financial years of the subsidiary since it became subsidiary of Interlink Petroleum Limited. : NIL
6. Net Aggregate amount of Profit / (Loss) of the subsidiary so far as dealt with or provision is made for those Profit / (Loss) in Interlink Petroleum Limited's accounts.
 - (a) For the subsidiary's Financial year ended on 31st March, 2010 : NIL
 - (b) For its previous financial years since it became the subsidiary of Interlink Petroleum Limited : NIL

Note : Figures in Indian Rupees, wherever it appears in respect of overseas subsidiary, have been given only as additional information.

INFORMATION PERTAINING TO SUBSIDIARY COMPANY

Sr. No.	Particulars	Interlink Petroleum Pte Limited Amount in Rs.
1	Share Capital	68
2	Reserves & Surplus	NIL
3	Total Assets	191503
4	Total Liabilities	191503
5	Turnover	NIL
6	Profit/(Loss) Before Taxation	(88126)
7	Provision for Taxation	NIL
8	Profit/(Loss) After Taxation	(88126)
9	Proposed Dividend	NIL

As per our report of even date.

For Shirish Desai & Co.
Chartered Accountants
(Registration No. 112226W)

Dilip K. Thakkar
Partner
Membership No. 31269

Place : Noida
Date : 10-06-2010

For and on behalf of the Board,

Kenneth G. Pereira
Managing Director

Vijay Misra
Director

Gopal Srinivasan
Chief Finance Officer

Bharat Patel
Dy. Company Secretary

AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

TO THE BOARD OF DIRECTORS OF INTERLINK PETROLEUM LIMITED

1. We have audited the attached consolidated Balance Sheet of Interlink Petroleum Limited ('The Company') and its subsidiary, Interlink Petroleum Pte Limited ('The Group') as at 31st March, 2010 and the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of the subsidiary, Interlink Petroleum Pte. Limited, Singapore, whose financial statements represent the Total Assets of Rs.1,91,503 as at 31st March 2010 and The Total Revenue of Rs. NIL and the Loss amounting to Rs.88,126 for the year ended on that date, considered in Consolidated Financial Statements and have relied upon the audited accounts provided by the company.
4. We report that the consolidated financial statements have been prepared by the company in accordance with the requirements of Accounting Standard 21 (Consolidated Financial Statements), issued by the Institute of Chartered Accountants of India and on the basis of the separate audited financial statements of the company and the separate audited balance sheet of subsidiary which have been included in the consolidated Financial Statements.
5. Based on our audit and according to the information and explanations given to us, we are of the opinion that the aforesaid Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India.
 - a) In the case of the Consolidated Balance Sheet, of the state of affairs of the Company and its Subsidiary as at 31st March, 2010;
 - b) In the case of the Consolidated Profit and Loss Account, of the Profit of the Company and its Subsidiary for year ended on that date; and
 - c) In the case of the Consolidated Cash Flow Statement, of the cash flows of the Company and its Subsidiary for the year ended on that date.

For, Shirish Desai & Co.
Chartered Accountants
(Registration No 112226W)

Place: Noida
Date: 10/06/2010

Dilip K. Thakkar
Partner
Membership No. 31269

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2010

	Schedule	AS AT 31/03/2010 Rs.	AS AT 31/03/2009 Rs.
SOURCES OF FUNDS :			
SHAREHOLDERS' FUNDS			
Share Capital	1	249212000	184056000
Reserves & Surplus	2	219287200	69283200
Consolidation Adjustment		(3094)	(2117)
LOAN FUNDS			
Secured Loans		NIL	NIL
Unsecured Loans	3	NIL	11423203
TOTAL		468496106	264760286
APPLICATION OF FUNDS :			
FIXED ASSETS			
Gross Block	4	22890940	27081011
Less : Depreciation		9192912	10897905
Net Block		13698028	16183106
Capital Work-In-Progress	5	126325070	17300424
		140023098	33483530
INVESTMENTS	6	3460	3460
CURRENT ASSETS, LOANS AND ADVANCES			
Sundry Debtors		NIL	NIL
Cash & Bank Balances	7	253390494	151799797
Loans & Advances	8	4801548	2287088
		258192042	154086885
Less: Current Liabilities and Provisions	9	16792344	10460889
NET CURRENT ASSETS	10	241399698	143625996
MISC. EXPENDITURE (to the extent not Written off or Adjusted)		1095436	873908
PROFIT & LOSS A/C		85974415	86773392
TOTAL		468496106	264760286
Significant Accounting Policies & Notes Forming Part of the Accounts	14		

As per our report of even date.

For Shirish Desai & Co.
Chartered Accountants
(Registration No. 112226W)

Dilip K. Thakkar
Partner
Membership No. 31269

Place : Noida
Date : 10-06-2010

For and on behalf of the Board,

Kenneth G. Pereira
Managing Director

Vijay Misra
Director

Gopal Srinivasan
Chief Finance Officer

Bharat Patel
Dy. Company Secretary

CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

	Schedule	Year Ended 31/03/2010 Rs.	Year Ended 31/03/2009 Rs.
INCOME			
Other Income	11	11527610	6688181
TOTAL (A)		11527610	6688181
EXPENDITURE			
Operating & Other Expenses	12	10152439	23533475
Interest and Financial Charges	13	24511	359815
Depreciation	4	258018	786371
Preliminary & Deferred Revenue-Exp. written off	10	328472	769745
TOTAL (B)		10763440	25449406
PROFIT / (LOSS) BEFORE TAX (A-B)		764170	(18761225)
Provision for Income Tax		NIL	NIL
Provision for Fringe Benefit Tax		NIL	181150
PROFIT / (LOSS) AFTER TAX		764170	(18942375)
Balance brought forward from previous year		(86773392)	(67047234)
Short Provision of Income Tax of Earlier Years		NIL	783783
Add : Excess provision for FBT of earlier years written back		34807	NIL
Balance Carried To Balance Sheet		(85974415)	(86773392)
Earning Per Share - basic & diluted		0.04	(1.21)
Significant Accounting Policies & Notes Forming Part of the Accounts	14		

As per our report of even date.

For Shirish Desai & Co.
Chartered Accountants
(Registration No. 112226W)

Dilip K. Thakkar
Partner
Membership No. 31269

Place : Noida
Date : 10-06-2010

For and on behalf of the Board,

Kenneth G. Pereira
Managing Director

Vijay Misra
Director

Gopal Srinivasan
Chief Finance Officer

Bharat Patel
Dy. Company Secretary

Schedules Forming Part of Consolidated Financial Statements

	AS AT 31/03/2010 Rs.	AS AT 31/03/2009 Rs.
Schedule 1 : SHARE CAPITAL		
AUTHORISED		
3,00,00,000 (Previous Year. 1,90,00,000) Equity Shares of Rs. 10 Each	300000000	190000000
TOTAL	300000000	190000000
ISSUED, SUBSCRIBED AND PAID UP		
2,49,21,200 (Previous Year 1,84,10,000) Equity Shares of Rs. 10 each fully paid up	249212000	184100000
Less : Calls in Arrears	NIL	44000
TOTAL	249212000	184056000
Schedule 2 : RESERVES & SURPLUS		
Securities Premium	219243200	69283200
Share Forfeiture Account	44000	NIL
TOTAL	219287200	69283200
Schedule 3 : UNSECURED LOANS		
Deposit from Customers	NIL	2390032
Interest free Inter Corporate Deposit	NIL	9033171
TOTAL	NIL	11423203

Schedule 4 : FIXED ASSETS

Sr. No.	Description	Rate of Dep. (%)	Gross Block			Depreciation			Net Block		
			As at 01/04/09	Addition During the Year	Ded. during the Year.	As at 31/03/10	As at 01/04/09	For the Year	Ded. during the Year	Upto 31/03/10	As at 31/03/10
1	Office Building	1.63%	1470270	NIL	1470270	NIL	331288	14978	346266	NIL	1138982
2	Office Equipment	4.75%	1404459	114029	325823	1192665	206753	62717	186177	83293	1197706
3	Computers	16.21%	2063112	67824	1743965	386971	1713076	93967	1743965	63078	350036
4	Vehicle	9.50%	2007856	NIL	NIL	2007856	868394	190746	NIL	1059140	1139462
5	Furniture & Fixture	6.33%	1585658	209465	1041331	753792	723053	64473	740817	46709	862605
6	Plant & Machinery	5.28%	12452404	NIL	NIL	12452404	5232421	657487	NIL	5889908	7219983
7	Site Building	1.63%	4562252	NIL	NIL	4562252	594920	74364	NIL	669284	3967332
8	Prod. Rights of Baola Gas Field	10%	1535000	NIL	NIL	1535000	1228000	153500	NIL	1381500	307000
	Total		27081011	391318	4581389	22890940	10897905	1312232	3017225	9192912	16183106
	Previous Year		28417112	3157223	4493324	27081011	11059191	1430542	1591828	10897905	17357921

2009-10
(Rs.)

1312232

1054214

258018

2008-09
(Rs.)

1430542

644171

786371

Depreciation for the Year

Less : Capitalised as part of capital work in progress

Charged to Profit and Loss Account

Schedule 5: CAPITAL WORK IN PROGRESS

Sr. No.	Particulars	Opening Balance As at 01/04/2009	Additions during the year	Transfer to Producing Property	Transfer to Profit & Loss Account	Closing Balance As at 31/03/2010
1	Baola Field	16858262	32718541	NIL	NIL	49576803
2	Modhera Field	442162	76306105	NIL	NIL	76748267
	TOTAL	17300424	109024646	NIL	NIL	126325070
	Previous Year	NIL	17300424	NIL	NIL	17300424

Schedules Forming Part of Consolidated Financial Statements

	AS AT 31/03/2010 Rs.	AS AT 31/03/2009 Rs.
Schedule 6: INVESTMENTS- Long Term (At Cost)		
QUOTED (Fully Paid Up)		
587 Equity Shares of Rs. 10/- each of UTI Master Shares- Market Value Rs. 10,006/- (Previous Year Rs.10918)	3460	3460
TOTAL	3460	3460
Schedule 7 : CASH AND BANK BALANCES		
Cash in Hand	23873	1508337
Balances with Scheduled Banks	12362114	1591146
Balance with Foreign Bank-DBS Bank, Singapore	1713202	1200313
Fixed Deposit with Scheduled Bank (HDFC Bank)	239291305	147500000
TOTAL	253390494	151799797
Schedule 8 : LOANS AND ADVANCES		
Loans and Advances recoverable in cash or kind or for value to be received Unsecured and considered Good		
Security Deposits	774500	787328
TDS A.Y.-2008-09	31368	31368
TDS A.Y. 2009-10	1112107	1112107
TDS A.Y. 2010-11	588652	NIL
Advance Tax A.Y.-2010-11-(FBT)	17155	NIL
Prepaid Insurance & Others	46793	66045
Interest Accrued on Fixed Deposits	2230973	290240
TOTAL	4801548	2287088
Schedule 9 : CURRENT LIABILITIES & PROVISIONS		
Sundry Creditors	12398068	8607844
Duties and Taxes	790847	1416579
Provision for Fringe Benefit Tax	Nil	34807
Provisions for employee Benefits	886634	32308
Provisions for expenses	2716795	368351
TOTAL	16792344	10460889
SCHEDULE 10 : MISCELLANEOUS EXPENDITURE		
(To the extent not written off or adjusted)		
A. PRELIMINARY EXPENSES		
Opening Balance	873908	NIL
Addition: During the Year	550000	1092385
Less: Written off during the Year	328472	218477
TOTAL (I)	328472	218477
TOTAL (A)	1095436	873908
B. DEFFERED REVENUE EXPENSE		
Opening Balance	NIL	551268
Less: Written off during the Year	NIL	551268
TOTAL (II)	NIL	551268
TOTAL (B)	NIL	NIL
TOTAL (I+II)	328472	769745
TOTAL (A+B)	1095436	873908

Schedules Forming Part of Consolidated Financial Statements

	Year Ended 31/03/2010 Rs.	Year Ended 31/03/2009 Rs.
Schedule 11 : OTHER INCOME		
Bank Deposit Interest	6199079	5563737
Credit Balance written off	172213	1033912
Dividend Income	322	262
Foreign Exchange Gain (Net)	NIL	90270
Inter Corporate Deposit written back	3900000	NIL
Profit from Sale of Assets	1255996	NIL
TOTAL	11527610	6688181
Schedule 12 : OPERATING & OTHER EXPENSES		
Advertisement Exp	14751	288090
AGM & EGM Exp	369684	NIL
Assets written off	440188	NIL
Auditor's Remuneration:		
For Audit Fees	124815	20000
For Other Service	131000	131300
Bad Debts and Loans & Advances given to Ex-Managing Director Written off	NIL	10980800
Business Promotion Expenses	397141	624604
Conveyance	50991	11768
Depository Expenses	89369	22249
Directors' remuneration, perquisites and other Benefits to Ex-Executive Directors	NIL	816198
Director's Remuneration	8	NIL
Director's Sitting Fees	207500	90000
Foreign Exchange Loss (Net)	216911	NIL
Guest House Related Expenses	169119	3551
Insurance Expenses	5341	1676
Labour charges	6600	NIL
Legal Expenses	23263	41807
Listing Fees	37286	88034
Loss on sale of Vehicle	NIL	217326
Membership & Subscription	NIL	12000
Non-Compete Fees to Ex-Executive Directors	NIL	5118291
Office Expenses	458826	30369
Office Renovation	518304	NIL
Postage & Courier Expenses	72159	4505
Power & Fuel	141793	11739
Printing & Stationery	60968	103830
Professional Charges	1828363	2826259
Rent, Rates, & Taxes	1061412	282885
Repairs & Maintenance	108773	31230
Salaries & Wages	1916588	709523
Staff Welfare Expenses	102848	4552
Telecommunication Expenses	509701	24474
Traveling Expenses	999062	1018683
Vehicle Expenses	57725	17732
Website Development charges	31950	NIL
TOTAL	10152439	23533475
Schedule 13 : INTEREST AND FINANCIAL CHARGES		
Bank Charges	5074	25926
Interest Expenses	19437	333889
TOTAL	24511	359815

SCHEDULE 14: SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS:
A) SIGNIFICANT ACCOUNTING POLICIES FOR CONSOLIDATED ACCOUNTS:
a) BASIS OF PREPARATION:

The Consolidated Financial Statements (CFS) are prepared under historical cost convention on accrual basis of accounting in accordance with the generally accepted accounting principles in India and in accordance with the mandatory accounting standards issued by The Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956.

b) PRINCIPLES OF CONSOLIDATION:

The financial statements of the subsidiary companies used in the consolidation are drawn up to the same reporting date as of the Holding Company. For the purpose of CFS, uniform accounting policies are adopted by the group.

The financial statements of the group have been consolidated on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. Inter-Company balances and transactions and unrealized profits or losses have been fully eliminated. For translation of non-integral foreign operations, both monetary and non-monetary assets and liabilities are translated using closing rate as on the balance sheet date. The income and expenditure are translated using average rate during the year. The resulting exchange difference is accumulated in the foreign currency translation reserve until the disposal of the net investment.

c) USE OF ESTIMATES:

The presentation of financial statements requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Differences between the actual results and estimates are recognized in the period in which the results are known / materialized.

d) FIXED ASSETS AND DEPRECIATION :

- i Fixed Assets are stated at cost, less accumulated depreciation including financing costs till commencement of commercial production. Net changes on foreign exchange contracts and adjustment arising from exchange rate variations attributable to the fixed assets are capitalized.
- ii Depreciation on fixed assets is provided in accordance with the rates as specified in Schedule XIV to The Companies Act, 1956, on straight-line method, up to 95% of the cost of the assets. Depreciation is charged pro-rata on monthly basis on assets from/up to the month of capitalization/sale, disposal and/or dismantle. Depreciation relating to assets attributable directly to prospecting, exploration and development of oil and gas are capitalized as a part of Capital work in progress or producing properties, as the case may be.
- iii Intangible assets are recognized only if it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. The intangible assets are recorded at cost and are carried at cost less accumulated amortization.

e) VALUATION OF INVENTORIES :

- i Natural Gas is extracted from field as and when supply of gas is to be made. Hence neither there is any storage of Natural Gas nor any stock of the same.
- ii The Closing Stock of Crude Oil in saleable condition is valued at Cost or Net Realizable Value less estimated selling costs, whichever is lower.
- iii Stores and spares are valued at lower of cost or net realizable value.

f) PRELIMINARY EXPENSES:

Preliminary expenses in the nature of expenses for incorporation of the Company, Public issue expenses and like expenses; are amortized over a period of five years.

g) EXPLORATION AND DEVELOPMENT COSTS:

- (i) The Company is following "Full Cost Method" for allocating all costs incurred in prospecting, exploring and developing oil and gas including related interest and depreciation, which are accumulated, as per the guidance note on Accounting for Oil and Gas producing activities issued by the institute of Chartered Accountants of India.
- (ii) Exploration Costs involved in drilling and equipping exploratory and appraisal wells and cost of drilling exploratory type stratigraphic test wells are initially accounted for under the head Capital Work In Progress and are capitalized as producing properties when ready to commence commercial production.
- (iii) All Costs relating to development wells, development type stratigraphic test wells and service wells are initially accounted for under the head Capital Work In Progress and are capitalized as producing properties when ready to commence commercial production.
- (iv) Producing properties are depleted using 'Unit of Production' method based on estimated proved developed reserves. Any changes in Reserves and / or Cost are dealt with prospectively. Hydrocarbon reserves are estimated by the Company following the International Reservoir Engineering Principles and are approved by the appropriate authority(s).

h) IMPAIRMENT OF ASSETS:

At each Balance Sheet date, the Company reviews the carrying amount of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Where the impairment loss subsequently reverses, the carrying amount of the asset (cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior accounting periods.

i) INVESTMENTS:

Current investments are carried at the lower of cost and quoted / fair value. Long term Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management.

j) RECOGNITION OF INCOME AND EXPENDITURE:

- (i) Revenue from sale of products is recognized on transfer of custody to customers. Any difference as of the reporting date between the entitlement quantities minus the quantities sold in respect of crude oil (including condensate) and gas, if positive is treated as inventory and, if negative, is adjusted to revenue by recording the same as liability.
- (ii) Sales are inclusive of all statutory levies and taxes that are paid/payable to the government, based on the provisions under various laws and agreements governing Company's activities in the respective field/project.
- (iii) Any payment received in respect of short lifted gas quantity for which an obligation exists to supply such gas in subsequent periods is recognized as Deferred Revenue in the year of receipt. The same is recognized as revenue in the year in which such gas is actually supplied for the quantity supplied or in the year in which the obligation to supply such gas ceases, whichever is earlier.
- (iv) Revenue in respect of interest on delayed realizations is recognized when there is reasonable certainty regarding ultimate collection.
- (v) All income and expenditure items that have material bearing on the financial statements are recognized on accrual basis. However insurance claims are not accounted on accrual basis but are accounted for as and when received.

k) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

I) ACCOUNTING FOR TAXATION:

Income taxes are accounted for in accordance with Accounting Standard 22 AS "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India. Tax expense comprises both current and deferred tax. Current tax is measured at the amount expected to be paid to / recovered from the tax authorities using the applicable tax rates. Deferred tax assets and liabilities are recognized for future tax consequences attributable to timing differences between taxable income and accounting income that are capable of reversing in one or more subsequent periods and are measured using the relevant enacted tax rates. At each Balance Sheet date, the Company reassesses unrecognized deferred tax assets to the extent they have become reasonably certain or virtually certain of realization, as the case may be.

m) BORROWING COSTS :

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

n) ACCOUNTING FOR RETIREMENT BENEFIT:

The Company has no policy for Leave encashment. Gratuity is accounted for on an accrual basis. All other Post retirement benefits to employees are accounted on cash basis.

o) FOREIGN CURRENCY TRANSACTIONS:

- (i) Foreign Currency transactions on initial recognition in the reporting currency are accounted for at the exchange rates prevailing on the date of transaction.
- (ii) At each Balance sheet date, foreign currency monetary items are translated using the average of exchange rates prevailing on the balance sheet date and non-monetary items are translated using the exchange rate prevailing on the date of transaction or on the date when the fair value of such items are determined.
- (iii) Losses or gains relating to the loans/deferred credits utilized for acquisition of fixed assets are adjusted to the carrying cost of the relevant assets. All the other exchange differences arising on the settlement of monetary items or on reporting of monetary items at the rates different from those at which they were initially recorded during the period, or reported in previous financial statements are recognized as income or expenses in the period in which they arise.

p) SITE RESTORATION:

Estimated future liabilities relating to dismantling and abandoning producing well sites and facilities whose estimated producing life is expected to end during next ten years is recognized based on the estimated future expenditure determined by the management in accordance with the local conditions and requirements. The corresponding amount is added to the cost of the producing property and is depleted using unit of production method. Any change in the value of the estimated liability is reflected as an adjustment to the provision and the corresponding producing property.

B) NOTES FORMING PART OF ACCOUNTS:

1. Interlink Petroleum Pte Limited was incorporated on 16th October 2008 under the laws of Singapore as a Limited private Company with an initial capital of Rs.68 (SGD 2 only comprising 2 shares of SGD 1 each), which is entirely held by Interlink Petroleum Limited (holding company), a company incorporated under the laws of India.
2. The principal activities of the company are oil and gas exploration.
3. The registered office of the company is located at 15 Hoe Chiang Road, #29-01 Tower Fifteen, Singapore 089316.
4. The current directors of the company are:
 - i) Lai Kai Jin, Michael
 - ii) Lee Chye Cheng, Adrian

5. The consolidated Financial Statements include the accounts of the following Subsidiaries;

Name of Entity	Country of Incorporation and Residence	Amount of Investment (In Rs.)	Percentage of Voting Power as at 31st March, 2010 (%)
Interlink Petroleum Pte Limited	Singapore	68.00(68.00)	100(100)
Previous Year's figures in parenthesis			

6. The Subsidiary Company, Interlink petroleum Pte Limited (Singapore) has not commenced its business.

7. List of Related Parties:

- a) Associate Companies : Jit Sun Investment Pte Limited
Loyz Oil Pte Limited
Loyz Energy Pte Limited
- Subsidiary : Interlink Petroleum Pte Limited, Singapore
- b) Key Management Personnel and Related parties:
- Managing Director : Mr. Kenneth Gerard Pereira
Director : Mr. Vijay Misra
Mother of Director : Mrs. Sushila Devi
Wife of Director : Mrs. Harpriya Misra

(Rs. in Lacs)

Nature Of Transaction	2009-10	2008-09
Unsecured Loan		
Ex-Chairman and Managing Director	Nil	109.81
Jit Sun Investment Pte Limited	9.57	12.33
Managerial Remuneration/Perks		
Ex-Chairman and Managing Director	Nil	7.66
Ex-Executive Director	Nil	59.07
Managing Director*	Nil	Nil
Lease rent for office premises and store		
Mrs. Harpriya Misra	0.50	0.60
Mrs. Sushila Devi	13.97	7.70
Deposit for lease of office premises		
Mrs. Sushila Devi	Nil	3.30
Sale of asset		
Greenpark Energy Limited	Nil	1.45
Investment/Loans to Subsidiary		
Interlink Petroleum Pte Limited, Singapore	1.43	0.93

* Kenneth Gerard Pereira, Managing Director, received a salary of Rs.8 only during the year at the rate of Rs.1 per month from 4 August 2009, the date of his appointment.

8. Group falling within the definition of group as defined under SEBI (Substantial Acquisition of Shares and Takeover) Regulation, 1997 and in the Monopolies and Restrictive Trade Practices Act, 1969 (54 of 1969).

The following persons/companies constitute the Group falling within the definition of group as defined under SEBI (Substantial Acquisition of Shares and Takeover) Regulation, 1997 and in the Monopolies and Restrictive Trade Practices Act, 1969 (54 of 1969), which exercises, or is established to be in a position to exercise, control, directly or indirectly, over the Company.

- a) Jit Sun Investments Pte Limited
- b) Loyz Oil Pte Limited
- c) Loyz Energy Pte Limited

As per our report of even date.

For Shirish Desai & Co.
Chartered Accountants
(Registration No. 112226W)

Dilip K. Thakkar
Partner
Membership No. 31269

Place : Noida
Date : 10-06-2010

For and on behalf of the Board,

Kenneth G. Pereira
Managing Director

Vijay Misra
Director

Gopal Srinivasan
Chief Finance Officer

Bharat Patel
Dy. Company Secretary

Balance Sheet Abstract And Company's General Business Profile.
As per provisions of Part IV of Schedule VI of the Companies Act, 1956.

PART IV

I. REGISTRATION DETAILS:

Registration No.:	0 1 6 1 4 1	State Code:	0 4
Balance Sheet Date:	31 03 2010		
	Date Month Year		

II. CAPITAL RAISED DURING THE YEAR: (Amount in Rs. Lacs)

Public Issue:	NIL	Right Issue:	NIL
Bonus Issue:	NIL	Preferential Allotment Of Shares:	652.00

III. POSITION OF MOBILISATION & DEVELOPMENT OF FUNDS: (Amount in Rs. Lacs)

	Total Liabilities	Total Assets
	4684.96	4684.96
Source of Funds	Paid up Capital	Reserve & Surplus
	2492.12	2192.87
	Secured Loans	Unsecured Loans
	NIL	NIL
	Deferred Tax Liability	Consolidated Adjustments
	NIL	(0.03)
Application of Funds	Net Fixed Assets	Investments
	136.98	0.03
	Net Current Assets	Capital Work In Progress
	2414.00	1263.25
	Misc. Expenditure	
	870.70	

IV PERFORMANCE OF COMPANY (Amount in Rs. Lacs)

Turnover	Total Expenditure
115.28	107.64
Profit/(Loss) Before Tax	Profit/(Loss) After Tax
7.64	7.64
Earning per share (Rs.)	Dividend Rate %
0.04	NIL

V. GENERIC NAMES OF PRINCIPAL PRODUCTS/SERVICES OF THE COMPANY (as per monetary terms)

Item Code No. (ITC Code)	2 5 2 3 1 0
Product Description	OIL & GAS EXPLORATION

As per our report of even date.

For Shirish Desai & Co.
Chartered Accountants
(Registration No. 112226W)

Dilip K. Thakkar
Partner
Membership No. 31269

Place : Noida
Date : 10-06-2010

For and on behalf of the Board,

Kenneth G. Pereira
Managing Director

Vijay Misra
Director

Gopal Srinivasan
Chief Finance Officer

Bharat Patel
Dy. Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE EYAR ENDED 31ST MARCH 2010

Particulars	2009-10 (Rs. In Lacs)	2008-09 (Rs. In Lacs)
A) NET CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit /(Loss) Before Taxes adjustment For:	7.64	(187.61)
Loss On Sale/Write off of Fixed Assets	NIL	2.17
Interest Received	(61.99)	(55.64)
Depreciation	2.58	7.86
Depreciation on asset sold	(30.17)	(15.92)
Amortisation of Expenses	3.28	7.70
Interest Expenses	0.19	3.34
Provision for FBT	NIL	(1.81)
(Short)/Excess provision of Income tax/FBT	0.35	(7.84)
Operating Profit / Loss Before Working Capital Adjustments	(78.12)	(247.75)
Loans & Advances	(25.14)	(2.80)
Current Liabilities and Provisions	63.31	3.60
Increase in Miscellaneous Expenditure	NIL	(3.34)
Cash generated from Operations (Ordinary Activities)	(39.95)	(250.29)
B) NET CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received	61.99	55.64
Purchase of Fixed Assets	(3.91)	(31.57)
Sale of Fixed Assets	45.81	44.93
Capital Work in Progress	(1079.71)	(173.00)
Net Cash flow from Investing Activities	(975.82)	(104.00)
C) NET CASH FLOWS FROM FINANCING ACTIVITIES		
Borrowings	(114.23)	(67.57)
Interest Paid	(0.19)	(3.34)
Issue of Shares	651.56	1031.00
Preliminary expense for issue of shares	(5.50)	(10.92)
Securities premium	1500.03	692.83
Net Cash Flow from Financing Activities	2031.67	1642.00
Net increase / (decrease) in cash & cash equivalents (A+B+C)	1015.90	1287.71
Cash and Cash Equivalents as at 1st April, 2009	1518.00	230.29
Cash and Cash Equivalents as at 31st March, 2010	2533.90	1518.00

As per our report of even date.

For Shirish Desai & Co.
Chartered Accountants
(Registration No. 112226W)

Dilip K. Thakkar
Partner
Membership No. 31269

Place : Noida
Date : 10-06-2010

For and on behalf of the Board,

Kenneth G. Pereira
Managing Director

Gopal Srinivasan
Chief Finance Officer

Vijay Misra
Director

Bharat Patel
Dy. Company Secretary

INTERLINK PETROLEUM PTE LIMITED

(Registration No. 200820141Z)

REPORT OF THE DIRECTORS AND FINANCIAL STATEMENTS YEAR ENDED MARCH 31, 2010

REPORT OF THE DIRECTORS AND FINANCIAL STATEMENTS CONTENTS

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REPORT OF THE DIRECTORS

The directors present their report together with the audited financial statements of the company for the financial year ended March 31, 2010.

1. DIRECTORS

The directors of the company in office at the date of this report are:

Lai Kai Jin Michael

Lee Chye Cheng, Adrian

2. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS BY MEANS OF THE ACQUISITION OF SHARES AND DEBENTURES

Neither at the end of the financial year nor at any time during the financial year did there subsist any arrangement whose object is to enable the directors of the company to acquire benefits by means of the acquisition of shares or debentures in the company or any other body corporate.

3. DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The directors holding office at the end of the financial period had no interests in the share capital and debentures of the company and related corporations as recorded in the register of directors' shareholdings kept by the company under Section 164 of the Singapore Companies Act:

4. DIRECTORS' RECEIPT AND ENTITLEMENT TO CONTRACTUAL BENEFITS

Since the beginning of the financial year, no director has received or become entitled to receive a benefit which is required to be disclosed under section 201(8) of the Singapore Companies Act, by reason of a contract made by the company or a related corporation with the director or with a firm of which he is a member, or with a company in which he has a substantial financial interest except for salaries, bonuses and other benefits as disclosed in the financial statements. Certain directors received remuneration from related corporations in their capacity as directors and/or executives of those related corporations.

5. SHARE OPTIONS

(a) Options to take up unissued shares

During the financial year, no option to take up unissued shares of the company was granted.

(b) Options exercised

During the financial year, there were no shares of the company issued by virtue of the exercise of an option to take up unissued shares.

(c) Unissued shares under option

At the end of the financial year, there were no unissued shares of the company under option.

6. AUDITORS

The auditors, Trustnet Alliance, have expressed their willingness to accept re appointment.

THE DIRECTORS,

May 13, 2010

Lai Kai Jin Michael

LeeChye Cheng, Adrian

STATEMENT OF DIRECTORS

In the opinion of the directors, the accompanying financial statements set out on pages 6 to 15 are drawn up so as to give a true and fair view of the state of affairs of the company as at March 31, 2010 and of the results, changes in equity and cash flows of the company for the financial year then ended and at the date of this statement, there are reasonable grounds to believe that the company will be able to pay its debts when they fall due.

THE DIRECTORS,

May 13, 2010

Lai Kai Jin Michael

LeeChye Cheng, Adrian

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

Interlink Petroleum Pte Ltd

We have audited the accompanying financial statements of Interlink Petroleum Pte Ltd which comprise the balance sheet of the company as at March 31, 2010, the statement of comprehensive income, statement of changes in equity and cash flow statement of the company for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 6 to 15.

Management's Responsibility

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Singapore Companies Act, Cap. 50 (the "Act") and Singapore Financial Reporting Standards. This responsibility includes: devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss account and balance sheet and to maintain accountability of assets; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion,

- (a) the financial statements of the company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the company as at March 31, 2010 and of the results, changes in equity and cash flows of the company for the year ended on that date; and
- (b) the accounting and other records required by the Act to be kept by the company have been properly kept in accordance with the provisions of the Act.

Trustnet Alliance

Public Accountants and
Certified Public Accountants

Singapore

May 13, 2010

BALANCE SHEET March 31, 2009

	Note	2010 SGD \$	2009 SGD \$
ASSETS			
Current assets			
Cash balances	6	2	2
Other receivables		343	-
Total current assets, represent total assets		345	
LIABILITIES AND EQUITY			
Current liabilities			
Other payables	7	5,804	2,750
Total current liabilities		5,804	2,750
Capital and accumulated losses			
Share capital	8	2	2
Accumulated losses		(5,461)	(2,750)
Total capital deficiency		(5,459)	(2,748)
Total liabilities, net of capital deficiency		2	2

See accompanying notes to financial statements.

STATEMENT OF COMPREHENSIVE INCOME

Year ended March 31, 2010

	Note	2010 SGD \$	2009 SGD \$
Other operating expenses		(2,711)	(2,750)
Loss before tax	9	(2,711)	(2,750)
Income tax expenses	10	-	-
Net loss for the year		(2,711)	(2,750)

See accompanying notes to financial statements.

STATEMENT OF CHANGES IN EQUITY

Period from October 16, 2008 (date of incorporation) to March 31, 2009

	Share capital SGD \$	Accumulated losses SGD \$	Total SGD \$
Issue of shares, at date of incorporation	2	-	2
Net loss for the period	-	(2,750)	(2,750)
Balance at March 31, 2009	2	(2,750)	(2,748)
Total comprehensive income for the year			
Balance at March 31, 2010	2	(5,641)	(5,469)

See accompanying notes to financial statements.

CASH FLOW STATEMENT

Period from October 16, 2008 (date of incorporation) to March 31, 2009

	2010 SGD \$s	2009 SGD \$s
Cash flows from operating activities		
Loss before income tax	(2,711)	(2,750)
Operating loss before working capital changes		
Other receivables	(343)	-
Other payables	3,054	2,750
Net cash from operating activities	-	-
Cash flows from financing activity:		
Proceeds from issuance of share Capital	-	2
Net cash generated from financing activities	-	2
Net increase in cash balances	-	2
Cash Balance at beginning of year	2	-
Cash and cash equivalents at end of year (Note 6)	2	2

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS March 31, 2010

1. GENERAL

The company (Registration Number 200820141Z) is incorporated in Singapore with its principal place of business and registered office at 15 Hoe Chiang Road, #29-01 Tower Fifteen, Singapore 089316. The financial statements are expressed in Singapore dollars.

The principal activity of the company is that of oil and gas exploration. The company remains dormant during the financial period.

The financial statements of the company for the year ended March 31, 2010 were authorised for issue by the Board of Directors on May 13, 2010.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING – The financial statements are prepared in accordance with the historical cost convention except as disclosed in the accounting policies below, and are drawn up in accordance with the provisions of the Singapore Companies Act and Singapore Financial Reporting Standards (“FRS”).

ADOPTION OF NEW AND REVISED STANDARDS – In the current financial year, the company have adopted all the new and revised FRSs and Interpretations of FRS (“INT FRS”) that are relevant to its operations and effective for annual periods beginning on or after January 1, 2009. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the company’s accounting policies and has no material effect on the amounts reported for the current or prior periods except as disclosed below.

FRS 1 – Presentation of Financial Statements (Revised)

FRS 1(2008) has introduced terminology changes (including revised titles for the financial statements) and changes in the format and content of the financial statements. In addition, the revised standard requires the presentation of a third statement of financial position at the beginning of the earliest comparative period presented if the entity applies new accounting policies retrospectively or makes retrospective restatements or reclassifies items in the financial statements.

Amendments to FRS 107 Financial Instruments: Disclosures - Improving Disclosures about Financial Instruments

The amendments to FRS 107 expand the disclosures required in respect of fair value measurements and liquidity risk. The company has elected not to provide comparative information for these expanded disclosures in the current year in accordance with the transitional reliefs offered in these amendments.

FINANCIAL INSTRUMENTS – Financial assets and financial liabilities are recognised on the company’s balance sheet when the company becomes a party to the contractual provisions of the instrument.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or where appropriate, a shorter period. Income and expense is recognised on an effective interest rate basis for debt instruments.

Financial assets

Loan and other receivables

Loan and other receivables are measured at amortised cost using the effective interest rate method less impairment. Interest is recognised by applying the effective interest rate method, except for short-term receivables when the recognition of interest would be immaterial.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, that are subject to an insignificant risk of changes in value.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset’s carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of receivables where the carrying amount is reduced through the use of an allowance account. When a receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in the profit and loss statement.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through the profit and loss statement to the extent the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Derecognition of financial assets

The company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the company retains substantially all the risks and rewards of ownership of a transferred financial asset, the company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Other payables

Other payables are initially measured at fair value, net of transaction costs and are subsequently measured at amortised cost, using the effective interest rate method, with interest expense recognised on an effective yield basis, except for short-term payables where the recognition of interest would be immaterial.

Derecognition of financial liabilities

The company derecognises financial liabilities when, and only when, the company's obligations are discharged, cancelled or expired.

PROVISIONS – Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

INCOME TAX – Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the profit and loss statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The company's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority.

Current and deferred tax are recognised as an expense or income in the profit and loss statement.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

(i) Critical judgements in applying the company's accounting policies

There was no critical judgment made in applying the company's accounting policies.

(ii) Key sources of estimation uncertainty

The management has not made any significant assumption concerning the future.

4. FINANCIAL RISKS AND MANAGEMENT

- a) Credit risk
Credit risk refers to the risk that counterparties will default on its contractual obligations resulting in a financial loss to the company. The company does not exposed to any credit risk during the financial period.
- b) Interest rate risk
Interest risk refers to the impact of rate change on interest bearing liabilities and assets.
No sensitivity analysis is prepared as the company does not have any interest-bearing financial assets and liabilities.
- c) Foreign currency risk
Foreign currency risk refers to the risk that arises from the movement in the foreign currency exchange rate against Singapore dollar that will affect the company's financial results and its cash flows.
No sensitivity analysis is prepared as the company has no trading activities during the financial period and it does not have any financial assets and liabilities denominated in foreign currency.
- d) Liquidity risk
Liquidity risk is managed by matching the payment and receipt cycle. The company's operations are financed mainly by its directors and shareholders.
- e) Fair values of financial assets and financial liabilities
The carrying amounts of cash balances and other payable approximate their respective fair values due to the relatively short-term maturity of these financial instruments.
- f) Capital risk management policies and objectives
The company reviews its capital structure at least annually to ensure that the company will be able to continue as a going concern. The capital structure of the company comprises only of issued capital and retained earnings.

5. HOLDING COMPANY

The company is a subsidiary of Interlink Petroleum Limited, incorporated in India, which is also the company's ultimate holding company.

Some of the company's transactions and arrangements are between members of the group and the effect of this on the basis determined between the parties is reflected in these financial statements. The intercompany balances are unsecured, repayable on demand and interest-free unless otherwise stated.

6 CASH BALANCES	2010	2009
	\$	\$
Cash in hand	2	2
	<u>2</u>	<u>2</u>
7 OTHER PAYABLES	2010	2009
	\$	\$
Amount due to holding company (note 5)	4,220	2,700
Other payables	1,584	50
	<u>5,804</u>	<u>2,750</u>

Amount due to holding company are unsecured, interest free and repayment on demand.

8. SHARE CAPITAL

	2010	2009	2010	2009
	Number of ordinary shares		\$	\$
Issued and paid up:				
At beginning and end of year	2	2	2	2
Fully paid ordinary shares, which have no par value, carry one vote per share and carry a right to dividends as and when declared by the company.				

9 (LOSS) BEFORE INCOME TAX

(Loss) before income tax includes the following charges:	2010	2009
	\$	\$
Preliminary expenses	-	1,500
	<u>-</u>	<u>1,500</u>

10. INCOME TAX EXPENSE

There is no provision for taxation as the company has no chargeable income for the current financial period.

11. COMPARATIVE FIGURES

The financial statements for 2009 cover the period from October 16, 2008 (date of incorporation) to March 31, 2009. The financial statements for 2010 cover the twelve months period ended March 31, 2010.

INTERLINK PETROLEUM LIMITED

Registered Office: "Premal Jyot" 1-B, Sarabhai Colony, Nr T.B. Hospital, Gotri Road, , Baroda 390021

ATTENDANCE SLIP

Shareholders attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

I hereby record my presence at the 19th ANNUAL GENERAL MEETING of the Company at Dr. I G Patel Seminar Hall, Faculty of Social Work of M. S. University, Opp. Fateh Gunj Post Office, Fateh Gunj, Vadodara-390002 on Friday, the 3rd September, 2010 at 3.00 p.m.

Full name of the Member _____

Folio No. _____ / DP ID No. _____ Client ID No. _____

No. of Shares held _____

Full name of Proxy) _____

Member's/Proxy's Signature

NOTE : Please carry with you this attendance slip and hand over the same duly signed at the space provided, at the entrance of the Meeting Hall.

-----tear here-----

INTERLINK PETROLEUM LIMITED

Registered Office: "Premal Jyot" 1-B, Sarabhai Colony, Nr T.B. Hospital, Gotri Road, , Baroda 390021

FORM OF PROXY

I/We _____

of _____ being a

Member/Members of the above named Company, hereby appoint _____ of

_____ or failing him _____ of

_____ as my/our proxy to attend and vote for me/us and

on my/our behalf at the 19th ANNUAL GENERAL MEETING of the Company, to be held on Friday, the

3rd September, 2010 at 3.00 p.m. and at any adjournment thereof.

Signed this _____ day of _____ 2010.

Folio No. _____ / DP ID No. _____

Client ID No. _____

No. of shares held _____

Affix Re.1 Revenue Stamp

NOTE : The Proxy to be effective should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.

Book - Post

Postal
Stamp

To,

If undelivered, please return to :

Interlink Petroleum Limited

Registered Office: "Premal Jyot"
1-B, Sarabhai Colony,
Nr T.B. Hospital, Gotri Road,
Baroda 390021