

ATUL MITTAL
FCA, FCS, IP
INSOLVENCY PROFESSIONAL
IBBI/IPA-001/IP-P00439/2017-18/10762

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5th October, 2018

Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001

Sub : Disclosure pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

Dear Sir,

In terms of the Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, please note that CIRP has been initiated in respect of Interlink Petroleum Limited under the provisions of Insolvency and Bankruptcy Code, 2016 ("Code") by an order of National Company Law Tribunal (NCLT) with effect from 07.09.2018 in a Company Petition No. (IB)-661(PB)/2018. The copy of NCLT order dated 07.09.2018 is attached.

Please also note that in the first meeting of the Committee of Creditors (COC), held today, the undersigned has been appointed as Resolution Professional for conduct of the further CIRP process.

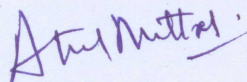
Please further note that the company has obtained permission of the Registrar of Companies to hold the Annual General Meeting of the company with an extension of 21 days. The company is in process of making necessary arrangements for holding of the AGM and will keep the Stock Exchange informed about it.

You are requested to note the above and bring the same to the notice of all concerned.

Thanking you,

Yours' faithfully,

For Interlink petroleum Limited



Atul Mittal
Resolution Professional

Encl. Copy of Order.

**THE NATIONAL COMPANY LAW TRIBUNAL
PRINCIPAL BENCH
AT NEW DELHI**

Company Petition No. (IB)-661(PB)/2018

In the matter of:

Loyz Oil PTE Limited

.....Applicant/Financial Creditor

Vs.

Interlink Petroleum Limited

....Respondent/Corporate Debtor

**Under Section 7 of the Insolvency and Bankruptcy Code,
2016**

Judgment delivered on: 07.09.2018

Coram:

**CHIEF JUSTICE (RTD.) M.M.KUMAR
Hon'ble President**

**S. K. MOHAPATRA
HON'BLE MEMBER (TECHNICAL)**

For the Applicant

: Mr. R.K. Gupta, Advocate

: Ms. Swaralipi Deb Roy, Advocates

For the Respondent

: Mr. Praveen, Advocate.



ORDER**S. K. Mohapatra, Member**

1. Loyz Oil PTE Limited, claiming as the financial creditor, has filed the instant application under Section 7 of the Insolvency and Bankruptcy Code, 2016 (for brevity 'the Code') read with rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 (for brevity 'the Rules') with a prayer to trigger Corporate Insolvency Resolution Process in respect of respondent company M/s Interlink Petroleum Limited, referred to as the corporate debtor.
2. The Respondent Company M/s Interlink Petroleum Limited (CIN No. L23209 DL 1991 PLC219214) against whom initiation of Corporate Insolvency Resolution Process has been prayed for, was incorporated on 20.09.1991 having its registered office at 105, 1st floor, 389-A, South Ex-Plaza, Masjid Moth, South Extension, Part-II, New Delhi – 110049. Since the registered office of the respondent corporate debtor is in New Delhi, this Tribunal having territorial jurisdiction over the NCT of Delhi is the Adjudicating Authority in relation to the



prayer for initiation of Corporate Insolvency Resolution Process in respect of respondent corporate debtor under sub-section (1) of Section 60 of the Code.

3. It is appropriate to mention that the applicant is a company incorporated in Singapore, having Company No. 200914325W, incorporated on 05.08.2009 vide certificate dated 18.01.2010 issued by Accounting And Corporate Regulatory Authority, Singapore.
4. Mr. Pang Kee Chai, authorised representative of the applicant has been duly authorised vide Board Resolution dated 26.03.2018 to do and transact the matters mentioned therein for and on behalf of the applicant. Accordingly, Mr. Pang Kee Chai on the strength of the authority has filed the present application on behalf of the applicant for initiation of corporate insolvency resolution process in terms of the provisions of the Code.
5. The applicant has proposed the name of Shri Atul Mittal, for appointment as interim resolution professional having registration number IBBI/IPA-001/IP-N000439/2017-18/10762, resident of 174 BALCO



Apartment, Plot No. 58, IP Extn.Delhi-110092, email amittalme@gmail.com. Shri Atul Mittal has agreed to accept appointment as the IRP and has signed a communication dated 09.05.2018 in Form 2 in terms of Rule 9(1) of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016. There is a declaration made by him that no disciplinary proceedings are pending against him in Insolvency and Bankruptcy Board of India or elsewhere. In addition, further necessary disclosures have been made by Shri Atul Mittal as per the requirement of the IBBI Regulations. Accordingly, he satisfies the requirement of Section 7 (3) (b) of the Code.

6. The details of various debts disbursed to the corporate debtor along with the date of disbursement have been given in Part-IV of the application as follows:

PARTICULARS OF FINANCIAL DEBT			
1.	TOTAL AMOUNT OF DEBT GRANTED. DATE(S) OF DISBURSMENTS	Debt Amount:	USD 1,02,50,000/- (USD One Crore two lac fifty thousand only)



		Dates of disbursement (USD): 12,50,000/- dated 23.1.2013 90,00,000/- dated 19.08.2014
2.	AMOUNT CLAIMED TO BE IN DEFAULT AND THE DATE ON WHICH THE DEFAULT OCCURRED (ATTACH THE WORKINGS FOR COMPUTATION OF AMOUNT AND DAYS OF DEFAULT IN TABULAR FORM)	Amount claimed to be in default: USD 1,02,50,000/- (USD One Crore two lac fifty thousand only) Date on which default occurred: 18.04.2018 (Date of email when applicant demanded payment and Corporate Debtor failed to pay)

7. It is the case of the applicant that the applicant extended loan to the respondent as 'External Commercial Borrowings' [ECB] after obtaining the necessary permission and under approval from the Reserve Bank of India.



8. The applicant Financial Creditor had extended ECB of USD 12,50,000 and USD 90,00,000 respectively totalling to USD 1,02,50,000 to the Corporate Debtor.
9. It is submitted that the respondent has entered into two loan agreements dated 26.12.2012 and 23.05.2014 respectively for USD 12,50,000 and USD 90,00,000, and after receiving necessary ECB approval of RBI the same amounts were disbursed to the respondent in terms of the aforesaid agreements. Copies of loan agreement, request letters for approval and necessary approvals from RBI have been placed on record.
10. It is also the case of applicant that on 30.06.2016 the respondent company requested applicant to waive of the interest from the loan amount and the applicant on such request agreed to claim only the principle amount and reversed the interest charged.
11. Subsequently, the applicant demanded back the repayment of ECB of USD 1,02,50,000 vide its email dated 18.4.2018 sent to the Corporate Debtor. The respondent company had failed to clear its dues. Copy of e-mail dated 18.04.2018 has been placed on record.



12. It is contended that all loans given by the Financial Creditor are duly reflected and accounted for by the Corporate Debtor in its Audited Financial Statements for the financial year 2016-2017. Copy of the financial statement for the year 2016-17 has been placed on record.
13. Respondent corporate debtor has filed reply on 10.08.2018. The respondent has admitted that an email dated 18.04.2018 was received by the Respondent Company from the Applicant wherein there was a demand for repayment of the ECB loan advanced by the Applicant. However, the Respondent Company denied that it is in default of payment of the same. It is stated that the Respondent Company has made huge investment in exploration activity but due to failure in commercial discovery and adverse business conditions for the past few years the company is facing financial difficulties.
14. It is stated that the Respondent Company is committed to make payment of the amount advanced by the Applicant, once steps taken for discovery of oil



becomes fruitful. It has been contended that the oil blocks on which oil exploration activity was carried out by the Corporate Debtor, the oil could not be discovered. Since the Corporate Debtor had no further financial capacity to invest further funds, its leasing rights in these oil block were transferred to Sun Petrochemicals Pvt. Ltd. by the Government of India with the consent of the Corporate Debtor. The Corporate Debtor before consenting transfer of its right in the said oil block, entered into an agreement with the Sun Petrochemicals Pvt. Ltd vide agreement dated 05/04/2016, and in terms of this agreement, the Corporate Debtor would receive its share of consideration in future on successful discovery by Sun Petrochemical Private Limited. The copy of MOU dated 24/03/2015 executed between the Corporate Debtor and Sun Petrochemicals Private Limited has been placed on record. It is accordingly submitted that the Corporate Debtor has valuable asset for future earnings and shall meet the default.



15. In this regard it is seen that the respondent admitted the receipt of the debt amount as specified in the application. In any case the applicant has placed the concerned bank account statement in support of the contention that USD 12,50,000/- was disbursed on 23.1.2013 and USD 90,00,000/- was disbursed on 19.08.2014 in the account of corporate debtor. The copies of the loan agreements dated 26.12.2012 and 23.05.2014 have been placed on record duly executed by both the parties. Besides the audited financial statement of respondent corporate debtor for the Financial Year 2016-17 has been placed on record in support of the claim of financial debt outstanding from the corporate debtor. The respondent is said to have committed default when it has failed to repay the dues as per the loan agreement. Mere contention that the corporate debtor will clear the dues in future would not help the corporate debtor as admittedly default continues. Once there is a default in repayment of debt the applicant has a right to press for initiation of Corporate Insolvency resolution Process under the Code.

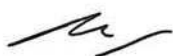


16. It is pertinent to mention here that the scheme of the Code provides for triggering the insolvency resolution process by three categories of persons namely,

- a) Financial creditor
- b) Operational creditor, and
- c) Corporate debtor itself.

17. The procedure in relation to the Initiation of Corporate Insolvency Resolution Process by the “Financial Creditor” is delineated under Section 7 of the Code, wherein only “Financial Creditor” / “Financial Creditors” can file an application. As per Section 7(1) of the Code an application could be maintained by a Financial Creditor either by itself or jointly with other Financial Creditors.

18. The expressions “Financial Creditor” and “Financial debt” have been defined in Section 5 (7) and 5 (8) of the Code and precisely “Financial debt” is a debt along with interest, if any, which is disbursed against the consideration for time value of money. In the present case applicant had sanctioned and disbursed various loan amounts recoverable with applicable interest by entering



in to loan agreements with the corporate debtor. The corporate debtor had borrowed the credit facilities against payment of interest as agreed between the parties. The loan was disbursed against the consideration of time value of money with a clear commercial effect of borrowing. Subsequently on the request of the corporate debtor the interest component charged over a period of time was waived and claim was made for remittance of the principal amount. Be that as it may there is no dispute that the loan amount was disbursed against the consideration of time value of money with a clear commercial effect of borrowing. Subsequent restructure or waiver of a portion of debt will not change the commercial nature of the transaction. In that view of the matter even though the interest portion was subsequently waived, not only the present claim will come within the purview of '*Financial Debt*' but also the applicant can clearly be termed as '*Financial Creditor*' so as to prefer the present application under Section 7 of the Code.



19. Under sub-section 5 (a) of Section 7 of the code, the application filed by the applicant financial creditor has to be admitted on satisfaction that:

1. *Default has occurred.*
2. *Application is complete, and*
3. *No disciplinary proceeding against the proposed IRP is pending*

20. Hon'ble Supreme Court in the case of *Mobilox Innovations Private Limited V. Kirusa Software Private Limited* reported in AIR 2017 SC 4532 at Para 19 has observed that:

*“Once the adjudicating authority / Tribunal is satisfied as to the existence of the default and has ensured that the application is complete and no disciplinary proceedings are pending against the proposed resolution professional, it shall admit the application. **The adjudicating authority/Tribunal is not required to look into any other criteria for admission of the application.**”* (Emphasis given)



21. The material on record clearly goes to show that respondent had availed the loan facilities and has committed default in repayment of the loan amount. An application under Section 7 of the Code is acceptable so long as the debt is proved to be due and there has been occurrence of existence of default. What is material is that the default is at least 1 lakh. In view of Section 4 of the Code, the moment default is of Rupees one lakh or more, the application to trigger Corporate Insolvency Resolution Process under the Code is maintainable.

22. It is seen that relevant bank account has been placed on record in support of the contention that loan was duly disbursed to the respondent company. Respondent has also admitted the fact of receipt of loan. Respondent has only contended that it shall repay the loan in future. The materials on record and the loan documents clearly depict that that the loan was sanctioned, loan agreements were executed. Respondent company utilised and enjoyed the loan facility. Additionally, the applicant has also furnished a copy of the Balance sheet and financial statements for the



financial year 2016-2017 of the corporate debtor, which *inter alia* reveals that the company has defaulted in repayment of the loan to the applicant and that huge debts are outstanding as reflected in the statement of accounts of the company.

23. It is thus seen that the applicant 'financial creditor' has placed on record voluminous and overwhelming evidence in support of the claim as well as to prove the default.
24. It is pertinent to mention here that the Code requires the adjudicating authority to only ascertain and record satisfaction in a summary adjudication as to the occurrence of default before admitting the application. What is material is that the default is at least 1 Lakh. Once the default is Rupees one Lakh or more the Code gets triggered in view of Section 4 of the Code.
25. The material on record clearly goes to show that respondent had availed the loan facilities and has committed default in repayment of the outstanding loan amount. Moreover, it is seen that the application of the financial creditor is complete and there is no disciplinary



proceeding pending against the proposed IRP. We are satisfied that the present application is complete and the applicant financial creditor is entitled to claim its outstanding financial debt from the corporate debtor and that there has been a default in payment of the financial debt.

26. As a sequel to the above discussion and in terms of Section 7 (5) (a) of the Code, the present application is admitted.
27. Shri Atul Mittal, having registration number IBBI/IPA-001/IP-N000439/2017-18/10762, resident of 174 BALCO Apartment, Plot No. 58, IP Extn.Delhi-110092, India with email-Id amittalme@gmail.com is appointed as an Interim Resolution Professional.
28. In pursuance of Section 13 (2) of the Code, we direct that public announcement shall be made by the Interim Resolution Professional immediately (3 days as prescribed by the IBBI Regulations) with regard to admission of this application under Section 7 of the Insolvency & Bankruptcy Code, 2016.



29. We also declare moratorium in terms of Section 14 of the Code. The necessary consequences of imposing the moratorium flows from the provisions of Section 14 (1) (a), (b), (c) & (d). Thus, the following prohibitions are imposed:

“(a) the institution of suits or continuation of pending suits or proceedings against the corporate debtor including execution of any judgment, decree or order in any court of law, tribunal, arbitration panel or other authority;

(b) transferring, encumbering, alienating or disposing of by the corporate debtor any of its assets or any legal right or beneficial interest therein;

(c) any action to foreclose, recover or enforce any security interest created by the corporate debtor in respect of its property including any action under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;

(d) the recovery of any property by an owner or lessor where such property is occupied by or in the possession of the corporate debtor.”



30. It is made clear that the provisions of moratorium shall not apply to transactions which might be notified by the Central Government or the supply of the essential goods or services to the Corporate Debtor as may be specified, are not to be terminated or suspended or interrupted during the moratorium period. In addition, as per the Insolvency and Bankruptcy Code (Amendment) Act, 2018 which has come into force w.e.f. 06.06.2018, the provisions of moratorium shall not apply to the surety in a contract of guarantee to the corporate debtor in terms of Section 14 (3) (b) of the Code.

31. The Interim Resolution Professional shall perform all his functions contemplated, inter-alia, by Sections 15, 17, 18, 19, 20 & 21 of the Code and transact proceedings with utmost dedication, honesty and strictly in accordance with the provisions of the 'Code', Rules and Regulations. It is further made clear that all the personnel connected with the Corporate Debtor, its promoters or any other person associated with the Management of the Corporate Debtor are under legal obligation under Section 19 of the Code to extend every



assistance and cooperation to the Interim Resolution Professional as may be required by him in managing the day to day affairs of the 'Corporate Debtor'. In case there is any violation, the Interim Resolution Professional would be at liberty to make appropriate application to this Tribunal with a prayer for passing an appropriate order. The Interim Resolution Professional shall be under duty to protect and preserve the value of the property of the 'Corporate Debtor' as a part of its obligation imposed by Section 20 of the Code and perform all his functions strictly in accordance with the provisions of the Code, Rules and Regulations.

32. The office is directed to communicate a copy of the order to the Financial Creditor, the Corporate Debtor and the Interim Resolution Professional at the earliest possible but not later than seven days from today.

Sd/-

(M.M. KUMAR)
PRESIDENT

Sd/-

(S. K. MOHAPATRA)
MEMBER (T)