

**Driving  
Growth.  
Building  
Momentum.**



# THE ROAD AHEAD...

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## Disclaimer

This document contains statements about expected future events and financials of Confidence Petroleum Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis of this Annual Report.

## Investor information

CIN	: L40200MH1994PLC079766
BSE Code	: 526829
NSE Symbol	: CONFIPET
Bloomberg Code	: CONFG:SP
AGM Date	: 30 September, 2019
AGM Venue	: Dragonfly Hotel, New Chakala Link Road, Near J B Nagar Gurudwara, Near Solitaire Corporate Park, Andheri East, Mumbai 400 093



Leveraging on our solid foundation of integrated infrastructure, we strive to reach new heights through strategic business development, sound execution ability and power to progress by providing clean and green energy solutions.

We are passionately driven to achieve our vision that is guided by our unflinching commitment towards partnering India's dream of clean and green fuel network. We are building steady momentum to become even more emblematic towards our customers.

Our efforts are focussed on investing and implementing our strategies that will drive our future growth. We have sharpened our competitive drives and are poised to play a critical role in the energy space. We are all set to seize every opportunity, leverage our strengths and accelerate our momentum to become a reputable energy supplier, creating values for our customers and maximising returns for our shareholders.

**102.16%**  
Increase in  
revenues over  
the last 3 years

**204.48%**  
Increase in  
EBITDA over the  
last 3 years

**1127.31%**  
Increase in  
profitability over  
the last 3 years

# About CONFIDENCE PETROLEUM INDIA LIMITED



WE AT CONFIDENCE PETROLEUM INDIA LIMITED (CPIL) HAVE EMERGED AS ONE OF THE PROMINENT VERTICALLY INTEGRATED LIQUIFIED PETROLEUM GAS (LPG) PLAYERS IN INDIA. CPIL IS THE LEADING PRIVATE PLAYER IN THE AUTO-LPG SEGMENT AND AT THE FOREFRONT OF AUTO LPG, PACKED LPG MARKETING, LPG BOTTLING AND BLENDING SERVICE AND CYLINDER MANUFACTURING.

Established in the year 1993, promoted by the Khara Group, over the past 25 years the Company has built a well-integrated state-of-the-art infrastructure including fleet of tankers for supply which has resulted in seamless execution capabilities and pan India presence. The Company is present across the value chain with businesses comprising AUTO LPG, LPG cylinder manufacturing, LPG bottling, Blending and LPG marketing in cylinders under the brand name Go Gas. CPIL sources, distributes, markets and supplies high-quality green fuel to retail, commercial and industrial customers across the country.



NSE listing 13 June, 2019

## BUSINESS DIVISIONS: Our key engagement areas

The business model of CPIL is unique with all its divisions being independent and interdependent. The cylinder manufacturing and bottling & blending units support the packed LPG marketing segment on one hand and the LPG bottling & blending units also serve as a hub to store auto LPG dispensing stations.



## Number Station

**25+ years**

Of expertise and LPG experience

**22 states**

Presence across India

**58**

Operational LPG bottling and blending plants

**₹1,100+**

Dealers and distributors network pan India

## Vision

Our vision is to achieve excellence in our industry as the leader, financially sound and positioned to generate value for stakeholders along with finding solutions for a cleaner and greener Earth.

## Mission

Our mission is to constantly deliver everyday energy needs profitably and responsibly & maximize the value delivered to each of our clients, employees, investors and other stakeholders.

## Values

### Integrity

We demand integrity and accountability with a commitment to build a cleaner and greener future, with the best commitment.

### Innovation

We promote innovation. Setting high standards for all our employees and vendors.

### Investment

We invest in our business and our employees to ensure that they deliver the maximum value to the clients and stakeholders.

## What's so striking about us!

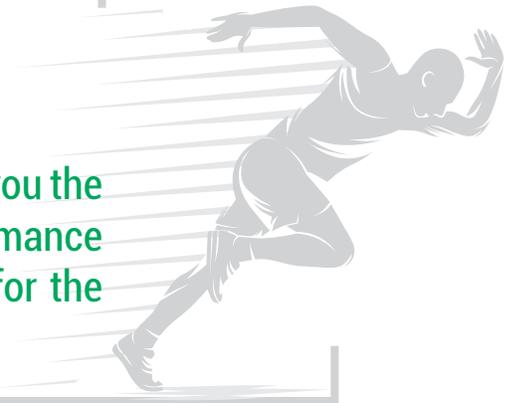
-  No middle-men and efficient supply chain
-  Real time monitoring of the inventory, customer orders and delivery
-  Focused approach towards Auto LPG – Future of India's on-road mobility
-  Direct Company-owned operations resulting in higher profitability
-  Uninterrupted dispensing operation
-  Hub and spoke model
-  Quick decision resulting in faster growth

# CMD's MESSAGE



**Dear Shareholders,**

**It gives me great pride to present to you the 25th Annual Report on the performance of Confidence Petroleum India Ltd for the year 2018-19.**



### **Key macro developments shaping the Company's prospects**

India continued to be recognised amongst the fastest growing economies globally. Thanks to the endeavouring efforts and the vision of the Government and its focus inclusive growth and introducing reforms and schemes that benefit to the larger section of the society. While GST implementation was a favourable move to promote the organised segment, schemes such as Pradhan Mantri Ujjwala Yojna (PMUY) were focussed towards strengthening LPG outreach across the country. The demand for LPG connections accelerated post the implementation of the PMUY Scheme. This demand is not likely to simmer down anytime soon as Government has strongly emphasised on 100% LPG penetration during the Union Budget 2019. Besides, implementation of the Direct Benefit Transfer (DBT) further curbed the supply chain leakages and kept a check on the limits set by the Government on providing the subsidised cylinders to the households.

The energy industry is at an inflection point. Oil prices and consequently LPG prices, remained low in 2018-19. Spilling over for the past 5 years, there have been record investments and policy amendments to adopt clean energy by various states and the Central Government. The policy makers have recognised and realised the impact of the choice of fuel on climate change, carbon emission, environmental degradation, hazards to human health and the long-term impact on the society. It was shocking to see the World Health Organization's report, which stated that 14 out of the top 15 most air polluted cities in the world are in India. (Source: *Times of India*, WHO) The challenge and the opportunity for the LPG industry in this period of change is to be recognised as a clean, green and modern energy and an immediate solution to mitigate air pollution and provide clean and safe environment.

The Centre is also actively promoting the green energy outreach to curb pollution levels and encouraging the use of LPG in automobile. There is also a push towards making India a clean and low carbon economy. These clean energy initiatives by the Central and State Governments have unlocked the potential opportunities for the LPG industry, be it providing safer and healthier kitchens through the Ujjwala scheme or usage of auto LPG in public transportation. These developments present brighter prospects for India's downstream oil and gas sectors. Given the growing demand for clean energy in India and its wide application in household and industrial activities, major investments in this sector is expected to increase over the next 3 to 5 years.



In preparation, CPIL has completed a new strategic review for 2019-2022 to increase our positive impact to the environment, industry, stakeholders and valuable clients as we respond to the opportunities provided within the Indian energy industry and help its transition to a low carbon economy.

## Performance and Strategies

In preparation, CPIL has completed a new strategic review for 2019-2022 to increase our positive impact to the environment, industry, stakeholders and valuable clients as we respond to the opportunities provided within the Indian energy industry and help its transition to a low carbon economy.

The Company surpassed its targets in 2018-19, which is largely due to our vertically integrated business model across the LPG space. It continues to remain one of our key strengths. Over the years, we benefitted from economies of scale, improved cost efficiencies through a judicious management of inventories, cutting-edge technology, managed cash flows, focused on value-added products; added new territories and aligned long-term business strategies with diverse stakeholder expectations. Such an approach has enabled us to maintain a robust CAGR revenue growth of at 102.16% and net profit growth of 1127.31% over the last three years.

During 2018-19, the Company reported great numbers across different financial parameters as follows:

- Revenues increased 65% from ₹ 610 Crores in 2017-18 to ₹1009 Crores in 2018-19
- Net profit strengthened 149% from ₹27 Crores in 2017-18 to ₹67 Crores in 2018-19

The year 2018-19 has set the momentum for CPIL for achieving the strategic and operational goals set for the next three financial years. CPIL scaled new heights and recorded its best financial and operational performance.

Our future lies in our strategy. We are financially sounder as we have always sought value over volume.

Over 2018-19, we continued to progress in our cylinder manufacturing division and LPG bottling division. Going in the future, we see significant gains from our consumer facing packed cylinder marketing and the Auto LPG divisions. We have made a good progress in developing our dealer and stockist network in new states and developing the right vendor relations to service our Auto LPG stations. Our initiatives to improve the safety of kitchens through our partnerships with composite cylinder manufacturer have also achieved significant response from the residential segment.

Auto LPG as a transport fuel, continues to grow and in 2019 we have initiated discussions and are also working alongside with various policymakers in the state and Central Government, to introduce Auto LPG in the Northern States. Not only will Auto LPG help towards curbing the



vehicle emissions, motorists will also benefit from significant savings by switching to a lower priced fuel. LPG being a stable priced fuel, will also help the Government in saving billions of dollars on import bill.

As a Company we are increasingly agile and readily adapting to the new realities in the energy sector. We are looking keenly at our downstream activities within the oil and gas space and working to secure our supplies of LPG at competitive rates.

## Expansion Plan

We have an ambitious capex plan over the next three years. The Company has planned capacity expansion for ALDS and bottling plants. The total capital expenditure planned is ₹ 444 Crores. The Company has already sourced part of the funding by way of a preferential issue of ₹ 78 Crores as well as issued warrants to the tune of ₹ 53 Crores to promoters, thereby raising over ₹ 131 Crores for the same. The remaining is expected to be generated through strong cash flows over the next 27 months.

## Our People – Driving The Momentum

Our employees have brought together a core set of organizational values and have built a culture that inspires us to gain the accelerated momentum. Throughout the Group, there is a spirit of pride and professionalism and these are key qualities at a time of growth inflection. We are determined to recognise talent in across the Group's businesses and to support development of people from early in their careers, not just in top-level succession planning but also focussing on divisional and departmental leadership. Confidence Group takes pride in its employees and their families, who help us to create a difference in the areas of our operation as well as the country.

## Closing Thoughts

The Group has strong financial control, sound administration and our governance is robust and transparent. Moreover, we are building the assets and the teams to secure further growth.

I would like to end by thanking all our talented and committed colleagues for their unstinting hard work and dedication. I would also like to thank our Board Members for their constant guidance. Finally, I would like to thank all our stakeholders for being with us and contributing immensely to our success. We remain focused on the task in hand and are committed to delivering on our strategies and continuing to drive profitability within the business and building upon the successes of we achieved in 2018-19. We reaffirm our commitment towards nation building by curbing air pollution and moving towards sustainable development.

Best Wishes,

**Nitin Khara**

# Management DISCUSSION AND ANALYSIS

## Industry structure and developments

### LPG Industry

Liquefied Petroleum Gas fuel or LPG is a group of flammable hydrocarbon gases that are liquefied through pressurization and commonly used as fuel. It is a natural element derived out of combination with other hydrocarbon fuels, typically crude oil and natural gas. It is produced during natural gas processing and oil refining and liquefied through pressurization and stored in pressure vessels. While over 90% of demand for LPG comes from residential consumers, a consistent hike in the excise duty for automotive fuels such as diesel and petrol has made commercial LPG a favourable option for automotive segment as well. Further petrol and diesel are still under excise and benefit of GST is not available.

### LPG as a cooking fuel for residential segment

The Government's initiatives to provide clean fuel to every household has made India as the second largest consumer of LPG fuel globally. On an average, India consumes 19 million tonnes per annum with an average growth of 8.4% per annum.

(Source: Business Today)

The LPG demand reported a record growth in 2018-19, at 24.9 million tonnes. It has grown over 53% in the last five years and 7% over 2017-18. India's LPG imports have shown remarkable trends over the last five years. In 2018-19 LPG imports stood at 13.2 million, highest till date, which is twice the import volumes in 2013-14 and 16% higher compared to last year. The phenomenal consumption growth has also been largely supported by various Government schemes like Pahal, Ujjwala, Direct Benefit Transfer and 'Give it Up'. The LPG penetration in the rural areas have been very robust under these schemes. Under the programme, 90% of Indian households have access to LPG, up from 55% in 2016.

(Source: Economic Times)



**45%** Jump in new LPG connections in FY2018-19 compared to last year.

### Outlook

LPG demand from the residential segment is expected to show strong growth momentum in the coming years owing to favourable Government policies. Besides, an additional 5 million tonnes of import terminal capacity is expected to be operational by FY2020-21 to further cater to the increasing consumption. (Source: Livemint) Under the PMUY scheme the Government is targeting to provide 8 Crores LPG connections by FY2020. As per Oil Ministry's projections, LPG consumption is expected to grow to 30.3 million tonnes by 2025 and 40.6 million tonnes by 2040. (Source: Economic Times)

### Threats

The major threat to the industry will be in the form of City Gas Distribution network and Electric Vehicles (EV). But we don't foresee any major threat in coming 5-7 years as huge investment in infrastructure is required for both city distribution and EV. Lots of challenges and doubts are there for the success of PNG, CNG and EV looking to the paying capacity and geographical bottle necks.

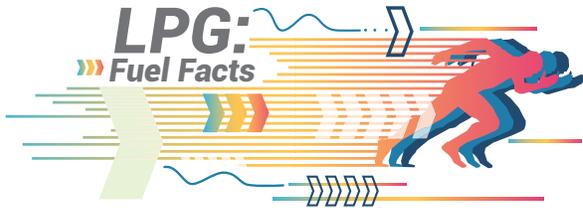
### Opportunity

LPG prices are coming down sharply in global markets. As a result, LPG is becoming most viable and feasible fuel in comparison to other fuels like CNG. The two major component of LPG Propane and Butane prices came down to 350-360 USD/PER MT from 550-600USD/PER MT in last eight months as USA is now net exporter due to huge production capacity through shell gas.

### LPG as a clean fuel for automotive segment

LPG is the third most commonly used automotive fuel following petrol and diesel. It fuels more than 26 million vehicles across 70 countries. It's economic viability and environmental friendliness has paved way for the clean fuel in India as well. The use of auto LPG in automotive in India commenced from the year 2000. Today, there are 1,100 Auto LPG Dispensing Stations (ALDS) set up pan India.

The State Government, of Karnataka, Maharashtra, Tamil Nadu, Andhra Pradesh, Telangana, Rajasthan and West Bengal have made LPG mandatory for auto rickshaws leading to a higher demand of LPG (Source: Indian Auto LPG Coalition).



## ~ 50% lower costs

As compared to petrol

## Minimal

Refuelling time is 1 minute compared to 5-7 minutes in case of CNG

## 90%

Air pollution reduced by auto LPG in comparison with diesel

## 22% lower CO<sub>2</sub>

Compared to petrol

## SAVINGS

Conversion of engine from petrol / diesel to Auto LPG cost ~ ₹7000 - 10000. While Conversion to CNG engine from petrol / diesel cost ~ ₹30000+

## 3x lighter

Cylinders required for LPG vs. CNG

(Source: Indian Auto LPG Coalition, <http://www.iac.org.in/>)



## Outlook

As per the WHO report, top 14 most polluted cities are in India. This has resulted in a push to clean and sustainable fuel options. AUTO LPG can play a significant role in transforming the mobility in India. Low cost of infrastructure and conversion, sustainability, along with easy availability makes LPG a fuel of choice. LPG has an impeccable safety record and eco-friendliness which speaks for its strength. India's auto LPG has witnessed a steady growth over the past few years. With increasing awareness on environment conservation, high volatility in petrol and diesel prices and higher number of hybrid vehicles will create a huge demand for auto LPG in the years to come.

The Indian Auto LPG Coalition (IAC) has been demanding favourable policy initiatives from the Government to allow auto LPG to become a major alternative to petrol and diesel. As Indian cities struggle to fight the growing air pollution levels, petrol and diesel are increasingly becoming non-sustainable. The auto LPG sector in the past few years has witnessed a steady growth in India, as more and more people opt for hybrid vehicles and gaseous fuels.

## Where lies the opportunity?



### ECONOMICAL

Approximately 50% cost saving in comparison with petrol.



### EFFICIENT

Improves engine life and reduces recurring maintenance costs.



### EASY

Trouble-free conversion of petrol/diesel vehicles to run LPG using Auto LPG Dispensing Stations conversion kits.



### EFFECTIVE TIME

Tentative time required for refuelling is less than a minute when compared to 5-7 minutes required for CNG.



### ENVIRONMENT FRIENDLY

The fuel cannot be adulterated. It is clean and green having lower emissions compared to alternative fuels.



### ESTIMATED INSTALLATION TIME IS LOWER

The tentative time to set-up LPG station is 2-5 months, as against 6-9 months in case of petrol and diesel and 2-5 years for CNG.

## Threats

The major threat to the industry will be any intervention or policies from the Government preferring CNG or any other alternative fuels. But looking to the price difference between AUTO LPG and CNG, auto LPG will remain preferable fuel in coming years.

# Segmental REVIEW

## AUTO LPG DISPENSING STATIONS (ALDS) – TOWARDS A CLEAN AND GREEN FUTURE



With in-depth knowledge and thorough understanding, CPIL has successfully emerged as the largest and fastest growing player in the ALDS segment in the private space with the brand name Go Gas. CPIL's approach towards ALDS makes it a game changer. The entire infrastructure of ALDS is supported by the bottling and blending plants. CPIL follows a hub and spoke model for distribution of LPG and a focussed approach towards marketing.

The Company has been licenced by Chief Controller of Explosives for carrying out business of LPG purchase. The Auto LPG Dispensing stations are located across Karnataka, Tamil Nadu, Telangana, Andhra Pradesh, Maharashtra, Rajasthan, Madhya Pradesh and West Bengal .



### Success Strategies

-  Fast decision making
-  Company owned and company operated model
-  High margins along with speedy growth
-  Adequate storage facilities
-  Backward integration leading to lower overheads
-  Efficient supply chain
-  Proximity to consumption centres reduces financial burden
-  Transportation through 12/18/21 MT tankers lead to better economies of scale and optimize logistics
-  Better inventory management leads to higher efficiency and lesser dryouts

**186**

**as on 31 March, 2019**

Auto LPG Dispensing Stations



## 90 Million Litres

LPG dispensed in 2018-19

### Key highlights 2018-19

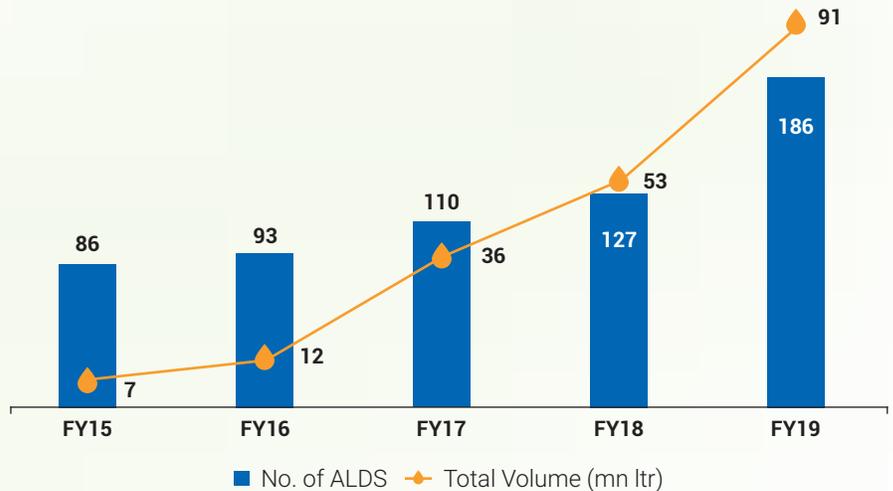
- ALDS are being increasingly moving from low catchment locations to newer locations with higher fuel demand
- The LPG volume jumped by 70% to 90 Million Litres in 2018-19 as compared to 53 Million Litres reported in 2017-18
- The number of gas stations increased significantly by 46.45% to 186 in 2018-19 over the previous year

### Price per litre in Bengaluru as on 20 August, 2019

(in ₹)

PETROL	74.42
DIESEL	67.30
AUTO LPG	36.06
CNG PER KG	56.95

### Gas Station and Total Auto LPG Volume



### Outlook

The Company is planning to expand its footprints in the states of Bihar, Orissa as well as UP, as the State Government's of all these states are keen to reduce city pollution resulting from local transportation. The Company is inspired by very good response in Karnataka and Tamil Nadu where auto LPG is the main fuel particularly for auto rickshaws and taxis.

The Company is focusing on regions with higher demand. CPIL has already witnessed a 5.5x revenue growth in last 4 years lead by better volumes. The Company as on 31 August, 2019 has 209 Go Gas stations and aims to increase the number of ALDS to 500 by FY2022. Auto LPG business is also gaining traction due to favorable economics, lower cost against other fuels and low operating cost. Introduction of factory fitted LPG vehicles along with government's mandate for compulsory LPG usage in different states has opened up new growth opportunities.

# PACKAGED LPG MARKETING – AHEAD OF THE CURVE



The Company has always adopted innovative ideas of doing business. In 2012, the Company launched its own brand of packed LPG known as 'Go Gas'. It caters to the large demand of non-subsidised segment, Hotel/Restaurant/Café (HORECA) and other industries. It is available in different ranges from 12Kg, 15Kg, 17Kg, 21kg to 33Kg cylinders and now introducing 450kg LOT cylinders for industrial and commercial applications.

It further launched another brand known as 'GO Gas Elite' composite LPG cylinders pan India with several unique features:

-  Blast-proof cylinder
-  50% lighter weight compared to normal cylinders
-  Translucent design enables one to check the level of liquid gas
-  Equipped with latest technology
-  Facility to monitor gas used leading to zero wastage
-  Available in 2Kg, 5Kg, 10Kg, 20 Kg

## Success strategies

-  Backward integrated
-  On-time and anytime service to the clients
-  Efficient supply chain
-  Lower overheads
-  Higher operational efficiency
-  Personalised services

## Key highlights 2018-19

-  CPIL sold 50 Million Kgs of packed LPG cylinders in 2018-19, an increase of 41% over the last year
-  The dealer network in 22 states have been increased from 900 to over 1100 over the past year
-  Policy tailwinds such as the Government mooting to allow domestic consumers of the private sector LPG marketers, eligible for subsidy would bring a level playing field this would be a significant game-changer with more than 20 Crore families shifting to LPG

## Outlook

The market size of packaged LPG is close to 850000MT per month (commercial and industrial segment). The Company aims to grab significant market share of domestic and non-domestic (industrial and commercial) segments. It is the only Company which possess pan India bottling infrastructure along with solid backward integration. This places the Company in a sweet spot to grow at the rate of 25-40 % per annum over the next five years.

The Company is planning to expand its dealer network to 2500 by the end of FY 2022 and increase the bottling plants to 101 by the end of FY 2022 from 58 at present. CPIL is confident to touch 25000MT/PM by the end of FY 2022 from 6500MT/PM registered in 2018-19. The Direct Benefit Transfer of LPG (DBTL) and GST rates have been the game changer in packed LPG market for parallel marketers. In coming years, the parallel marketers particularly our Company will be a key beneficiary specially in hotels, restaurants, industries and domestic consumption owing to lower overheads and better distribution cost. The unmatched widespread network of the LPG bottling infrastructure in India will help in significant lower logistic costs for the Company.

**OVERALL, IN THE COMING YEARS, THE ECONOMY OF SCALE, DBTL BENEFITS AND GOVERNMENT'S PUSH TOWARDS REMOVAL OF SUBSIDY ON DOMESTIC LPG OR REIMBURSEMENT OF SUBSIDY FOR CPIL'S CUSTOMERS WILL PROVE TO BE A GAME CHANGER.**





## LPG BOTTLING AND BLENDING SERVICES – ON THE JOB



-  Low bottling costs
-  Rigorous safety and assurance checks
-  Each and every cylinder passes through various quality and safety checks

### Outlook

The strong distribution network gives CPIL a competitive edge. The sound inventory management leads to higher efficiency and better operational excellence. The Company aims to increase its bottling plant capacity from 58 to 100 by FY 2022. Six new plants are expected to come onstream at Ahmadabad, Kanpur, Jaipur, Varanasi, Kota and Belgaum by the end of 2019-20. LPG storage tanks available at bottling plants are serving to our Auto LPG division as backbone. The Company is keeping sufficient buffer stock of auto LPG near to consuming centres (GAS pumps) to ensure timely supply of auto LPG to nearby pumps to optimise logistics cost.

The Company is the largest bottler in the private space having pan India presence. Of the total capacity of 58 bottling plants, 56% of the capacity is utilised to assist major oil giants like BPCL, HPCL Reliance and Aegis group.

### Success strategies

-  Uninterrupted and timely service
-  Strategically located
-  Easy sourcing
-  Hub and spoke model
-  Sound understanding of the market

# CYLINDER MANUFACTURING – STABLE AND SECURED



Today, CPIL is one of the largest private sector player in this industry with its strategically located plants to serve its customers. First mover advantage and strong track record have resulted in outstanding customer base and strong brand image. The organization is equipped with capabilities to provide a complete range of LPG cylinders primarily to PSU oil majors like BPCL, HPCL, IOCL and other private players like Reliance, among others. The Company is also exporting to various countries like Sri Lanka and Bangladesh. We are also expecting sizeable order from African countries. With pan India presence, this division enjoys logistic advantages also. The demand of new cylinders as well as the replacement demand will continue to be high in the coming years, led by prestigious Ujjwala Scheme

## Success strategies

-  Strong order book
-  State-of-the-art testing and quality measures within plants
-  At every stage, the product is monitored for quality and safety assurance

-  All licenses and approvals in place
-  All the plants follow the highest safety standards and posses the BIS approvals and PESO certification
-  Clientele base includes oil majors Bharat Petroleum, Hindustan Petroleum, Indian Oil and private players like Reliance among others
-  15 units are spread across different states resulting in optimum logistics

## Key highlights 2018-19

-  2019 -20 Union Budget proposes to extend the Ujjwala scheme to 8 crore new connections by 2021
-  The replacement and the new growth demand are expected to keep the business stable over the next few years
-  Incremental demand is coming from the states of Uttar Pradesh, Bihar, Odisha and the North East region

## Outlook

The Company is benefitting from the Government's emphasis to provide connections to rural household under Ujjwala scheme. The Government's target to provide 8 Crores new LPG connections under the existing programmes, along with replacement demand every 10 years, will generate strong demand. The incremental demand is further expected from the states of UP, Bihar, Odisha and North West region which will lead to higher capacity utilization and improved operational performance.



**15** Cylinder manufacturing facilities pan India



**5 million** Installed capacity of plants per annum

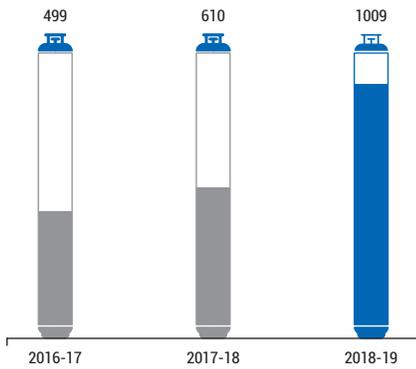


# Financial REVIEW



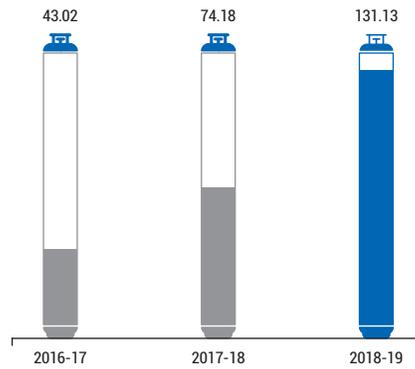
## REVENUE

(₹ Crores)



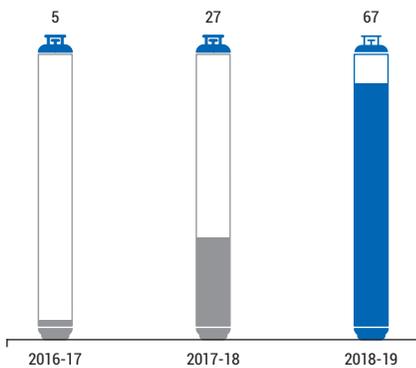
## EBITDA

(₹ Crores)



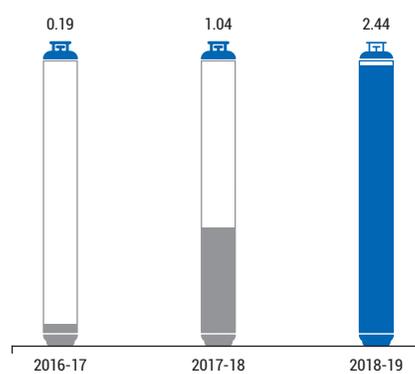
## PROFITABILITY

(₹ Crores)



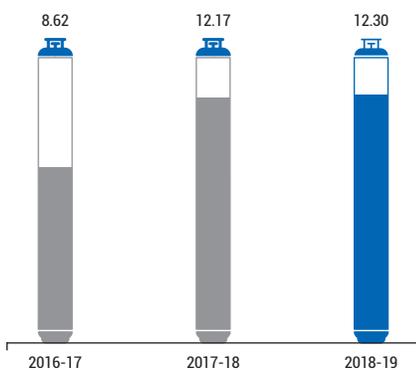
## EPS

(₹)



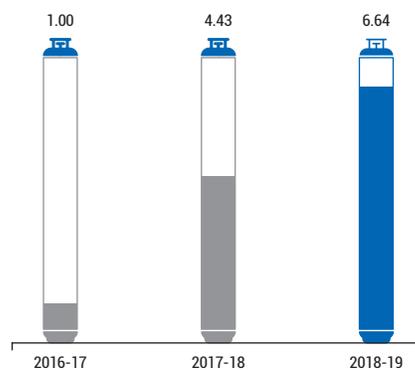
## EBITDA MARGIN

(%)



## PAT MARGIN

(%)



## Risk and Mitigation

At CPIL we have structured the risk management process to safeguard the organization from various risks and through timely and appropriate actions. The system is designed to anticipate, evaluate and mitigate the risks and minimise the impact. The risks are inventoried and integrated with internal processes such that they are given equal consideration while making key decisions.

**Competition risk:** The sector in which the Company is present may witness entry of new players or expansion of existing players.

**Mitigation:** This industry has high entry barriers. For any kind of expansion or entry requires long drawn approvals. CPIL has all approvals and licenses in place to continue its regular operations.

**Liquidity risk:** Liquidity crunch could impact day-to-day operations.

**Mitigation:** The Company deals with cash-rich companies, which ensures continuous cash flows. Additionally, the Company has strong cash reserves as all its operations are mainly in 'coco' model (Company owned, Company operated) asset light model

**Geographic risk:** Concentration across few regions could lead to missing out on capturing the market share.

**Mitigation:** CPIL is strategically located across India leading to successfully capturing the marketing opportunities.

**Inventory risk:** Inefficient inventory management could result in inventory pile-up or shortage. Any price fluctuation in LPG prices is passed on hence the Company's margin is almost intact irrespective of price fluctuations in international market.

**Mitigation:** The Company at any point of time has sufficient inventory, and it has an efficient, real-time inventory management in place that leads to keep a proper check.

## Marketing/Branding

We are aggressively marketing and penetrating into existing markets and newer geographies. The brand Go Gas has created a name for itself and is very well recognized in this category along with HPCL, BPCL and IOC. We are well equipped to cater to additional demand and tap the growth opportunity.

## Safety, Health and Environment

Health, safety and environment continue to be of high priority for us. We are committed to programmes that ensures and enhances economic and social value. We are committed towards providing a safe and conducive environment to employees. At CPIL, we ensure the highest standards of health and safety and environmental norms. The Company's operations are in adherence to the compliance norms and we follow a robust sustainability framework and observe the best practices.

## Human Resource Management

The organization always values its most critical stakeholder: its people. The values at CPIL have inculcated a sense of connect and engagement for its people. We strive for continuous development for our people to foster both personal and professional growth. CPIL takes concentrated efforts to provide a desirable work-life balance to the employees and improve their living and working standards. We endeavour to be strategic business partners to our employees and build organizational capabilities to deliver and create sustained value.

## Corporate Social Responsibilities

At Confidence Petro, we firmly believe in participatory growth and sharing the fruits with the unprivileged communities. We believe in following fair corporate social responsibility. During the year, the Company has extended its arms and donated towards the Kerala funds. All round the year, we continue to fund educational institutes and serve mother Earth through our on-going local plantation activity,



## Internal Control Systems

The Company has adequate internal control systems that are commensurate with the size and nature of its business. The system has been designed to ensure that the assets of the Company are acquired in an economical manner and safeguards remain in place for their upkeep and to ensure their protection against any damage or destruction. The Internal Auditors of the Company regularly carry out reviews of the internal control system to detect deviations.

The Report of the Internal Auditors is submitted to the Management on a monthly basis and is helpful in the prevention and detection of fraud and to report any discrepancies in the day-to-day activities of the Company. Further, internal control systems are periodically reviewed by the Audit Committee and are kept updated and consistent with the requirement of the organization.

# Corporate Information

## CONFIDENCE PETROLEUM INDIA LIMITED



<b>CIN</b>	L40200MH1994PLC079766
<b>DATE OF INCORPORATION</b>	21/07/1994
<b>REGISTRATION NO.</b>	11-079766
<b>REGISTERED OFFICE ADDRESS</b>	701, Shivai Plaza Premises CHS Ltd., Plot No. 79, Marol Ind. Estate, Nr. Mahalaxmi Hotel, Andheri (E), Mumbai - 400059
<b>CORPORATE OFFICE ADDRESS</b>	404, Satyam Apartment, 8 Wardha Road, Dhantoli, Nagpur, MH - 440012.
<b>WEBSITE</b>	www.confidencegroup.co
<b>E- MAIL ID</b>	cs@confidencegroup.co
<b>TEL . NO.</b>	(0712)-3250318/ 3250319
<b>FAX</b>	(0712) – 6612083/6631977
<b>BOARD OF DIRECTORS</b>	<p><b>Mr. Nitin Khara</b> Chairman-Managing Director &amp; CEO</p> <p><b>Mr. Elesh Khara</b> Executive Director &amp; CFO</p> <p><b>Mr. Sumant Sutaria</b> Non Executive-Independent Director</p> <p><b>Mrs. Mansi Deogirkar</b> Non Executive-Independent Director</p> <p><b>Mr. Vaibhav Pradeep Dedhia</b> Non Executive-Independent Director</p> <p><b>Mr. Supratim Subimal Basu</b> Non Executive-Independent Director</p>
<b>COMPANY SECRETARY &amp; COMPLIANCE OFFICER</b>	<b>Ms. Prity Bhabhra</b>
<b>AUDIT COMMITTEE</b>	<p><b>Mr. Vaibhav Pradeep Dedhia</b> Chairman</p> <p><b>Mr. Sumant Sutaria</b> Member</p> <p><b>Mr. Elesh Khara</b>, Member</p>

<b>NOMINATION &amp; REMUNERATION COMMITTEE</b>	<p><b>Mr. Sumant Sutaria</b> Chairman</p> <p><b>Mrs. Mansi Deogirkar</b> Member</p> <p><b>Mr. Vaibhav Pradeep Dedhia</b> Member</p>
<b>STAKEHOLDERS' RELATIONSHIP COMMITTEE</b>	<p><b>Mr. Vaibhav Pradeep Dedhia</b> Chairman</p> <p><b>Mrs. Mansi Deogirkar</b> Member</p> <p><b>Mr. Nitin Khara</b>, Member</p>
<b>MANAGEMENT COMMITTEE</b>	<p><b>Mr. Nitin Khara</b>, Chairman</p> <p><b>Mr. Elesh Khara</b>, Member</p> <p><b>Mr. Vaibhav Pradeep Dedhia</b> Member</p>
<b>CSR COMMITTEE</b>	<p><b>Mr. Nitin Khara</b>, Chairman</p> <p><b>Mr. Elesh Khara</b>, Member</p> <p><b>Mrs. Mansi Deogirkar</b> Member</p>
<b>STATUTORY AUDITORS</b>	<p>M/s. Akhil Rathi &amp; Co., Nagpur</p> <p>M/s. Ganesh Adukia &amp; Associates, Mumbai</p>
<b>COST AUDITOR</b>	M/s. Narendra Peshne & Associates
<b>BANKERS</b>	<p>ICICI BANK LIMITED</p> <p>CENTRAL BANK OF INDIA</p> <p>AXIS BANK LIMITED</p>
<b>REGISTRAR &amp; SHARE TRANSFER AGENT</b>	<p>Adroit Corporate Services Pvt. Ltd.</p> <p>17-20, Jafferbhoy Ind. Estate, 1st Floor, Makwana Road, Marol Naka, Andheri (E), Mumbai 400059, India Tel: +91 (0) 22 42270400  Direct: +91 (0)22 42270423 Fax: +91 (0)22 28503748</p>

# Notice OF TWENTY FIFTH ANNUAL GENERAL MEETING



## NOTICE OF TWENTY FIFTH ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT THE TWENTY FIFTH (25TH) ANNUAL GENERAL MEETING OF THE MEMBERS OF CONFIDENCE PETROLEUM INDIA LIMITED (CIN: L40200MH1994PLC079766) WILL BE HELD ON MONDAY, THE 30TH DAY OF SEPTEMBER, 2019 AT 02.30 P.M. AT DRAGONFLY HOTEL, NEW CHAKALA LINK ROAD, OPPOSITE SOLITAIRE CORPORATE PARK, NEAR JB NAGAR GURUDWARA, ANDHERI (EAST), MUMBAI - 400093 TO TRANSACT THE FOLLOWING BUSINESSES :-**

### ORDINARY BUSINESS:

#### Item No. 1 – Adoption of Financial Statements

To receive, consider and adopt:

- a) the Audited Standalone Financial Statements of the Company for the Financial Year ended 31 March, 2019 and the Reports of the Board of Directors and the Auditors thereon; and
- b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31 March, 2019 and the Report of the Auditors thereon.

#### Item No. 2 – Re-appointment of Director retiring by rotation.

To appoint a Director in place of Mr. Elesh Khara (DIN : 01765620) who retires by rotation, and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS:

#### Item No. 3 – Ratification of Cost Auditor's Remuneration.

To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT**, pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. **Narendra Peshne & Associates, Cost Accountants, Nagpur**, appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost records of the Company for the financial year 2019-20 at a remuneration determined by the board of Directors be and is hereby ratified.

**RESOLVED FURTHER THAT**, the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

#### Item No. 4 – Re-appointment of Mr. Sumant Sutaria as an Independent Director .

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, Mr. Sumant Sutaria (DIN:00298428) who was appointed as an Independent Director at the Twentieth Annual General Meeting of the Company and who holds office up to 29 September, 2019 and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five years commencing with effect from 30 September, 2019 to 29 September, 2024.

**RESOLVED FURTHER THAT**, the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution

# Notice

## OF TWENTY FIFTH ANNUAL GENERAL MEETING (Contd.)

### Item No. 5 – Re-Appointment and Remuneration of Mr. Nitin Khara as the Managing Director & Chief Executive Officer

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

**"RESOLVED THAT**, subject to the provisions of Sections 2(54), 2(78), 196, 197, 198, 203 and all other applicable provisions of the Companies Act, 2013 ("the Act") (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V of the Act and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Articles of Association of the Company and subject to such approvals, permissions and sanctions, as may be required, and subject to such conditions and modifications, as may be prescribed or imposed by any of the Authorities in granting such approvals, permissions and sanctions, approval of the Company be and is hereby accorded to the re-appointment and remuneration of Mr. Nitin Khara (DIN 01670977) as the Managing Director of the Company under the Companies Act, 2013 to be designated as Managing Director & Chief Executive Officer (MD & CEO) for a period of 5 (five) years with effect from 30 September, 2019 to 29 September, 2024 (both days inclusive), on terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to the "Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and/or remuneration as it may deem fit and as may be acceptable to Mr. Nitin Khara, subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactments thereof."

**"RESOLVED FURTHER THAT**, the Board be and is hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution without being required to seek any further consent or approval of the members or otherwise to the end and intent that it shall be deemed to have their approval thereto expressly by the authority of this resolution."

By the order of Board  
Confidence Petroleum India Limited

SD/-  
**Nitin Khara**  
(Chairman)

Place: Nagpur  
Dated: 28 August, 2019

### NOTES:

1. The explanatory statement pursuant to section 102 of the Companies Act, 2013, which sets out details relating to special business at the meeting, is annexed hereto.
2. The **book closure** for the purpose of share transfers shall commence from **24/09/2019 to 30/09/2019 (both days inclusive)** for annual closing.
3. **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.**
4. **A PROXY FORM IS ENCLOSED. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**

# Notice

## OF TWENTY FIFTH ANNUAL GENERAL MEETING (Contd.)

5. **A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. THE INSTRUMENT OF PROXY IN ORDER TO BE EFFECTIVE, SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, DULY COMPLETED AND SIGNED, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM IS SENT HEREWITH. PROXIES SUBMITTED ON BEHALF OF THE COMPANIES, SOCIETIES ETC., MUST BE SUPPORTED BY AN APPROPRIATE RESOLUTION/ AUTHORITY, AS APPLICABLE.**
6. Corporate member(s) intending to send their authorized representative(s) to attend the meeting are requested to send to the Company a duly certified true copy of the Board Resolution pursuant to Section 113 of the Companies Act, 2013 ("Act") authorizing their representatives to attend and vote on their behalf at the meeting
7. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned depository participant and holdings should be verified.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their pan details to the Company.
9. Details under the applicable provisions of SEBI Listing Regulations with the stock exchange in respect of the directors seeking appointment/ re-appointment at the annual general meeting, forms an integral part of the notice. The directors seeking re-appointment have furnished the requisite declarations for their re-appointment as Directors.
10. The annual report for 2018-19 is being sent to all the members whose email ids are registered with the Company/ depository participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2018-19 is being sent in the permitted mode. Complete copy of the annual report for 2018-19 shall be provided on request to members.
11. The copy of the notice of the 25th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with attendance slip and proxy form is being sent to all the members whose email ids are registered with the Company/ depository participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the notice of the 25th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with attendance slip and proxy form is being sent in the permitted mode.
12. Members may also note that the notice of the 25th Annual General Meeting and the Annual Report for 2018-19 will also be available on the Company's website [www.confidencegroup.co](http://www.confidencegroup.co) for their download. The physical copies of the aforesaid documents will also be available at the Company's registered office and corporate office in Nagpur for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [cs@confidencegroup.co](mailto:cs@confidencegroup.co).
13. The route map to the venue of the meeting is furnished herewith and forms part of the Notice.

# Notice

## OF TWENTY FIFTH ANNUAL GENERAL MEETING (Contd.)

14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the  
Adroit Corporate Services Private Limited, Mumbai.
15. Members seeking any information with regard to the financial statements are requested to write to the Company at least 7 days before the meeting so as to enable the management to keep the information ready at the meeting.
16. Members are requested to handover the attendance slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall.

### 17. E-VOTING

In compliance of the provisions of section 108 of the Companies Act, 2013 and rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members the facility to exercise their right to vote at the Twenty Fifth Annual General Meeting by electronic means and the business may be transacted through e-voting services provided by Central Depository Services Limited.

The facility for voting through ballot paper shall also be made available at the meeting and members **attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.**

**The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.**

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on **Friday, 27 September, 2019 (9.00 A.M. IST)** and ends on **Sunday, 29 September, 2019 (5.00 P.M. IST)**. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date of 23 September, 2019** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (v) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.

# Notice

## OF TWENTY FIFTH ANNUAL GENERAL MEETING (Contd.)

(viii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB#	<p>Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or Company, please enter the member id/ folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for along with "**Confidence Petroleum India Limited**". This will take you to the voting page.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.

# Notice

## OF TWENTY FIFTH ANNUAL GENERAL MEETING (Contd.)

(xx) Note for Non-Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

### In case of members receiving the physical copy:

Please follow all steps from sl. no. (i) to sl. no. (xx) above to cast vote.

The voting period begins on **Friday, 27 September, 2019 (9.00 A.M. IST)** and ends on Sunday, **29 September, 2019 (5.00 P.M. IST)**. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date of 23 September, 2019** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

**Mr. Siddharth Sipani, Practicing Company Secretary, (Membership No.ACS 28650 & C.P. NO. 11193)** has been appointed as the Scrutinizer to scrutinize the e-voting process (including the ballot cast by the Members at the Annual General Meeting) in a fair and transparent manner.

The Scrutinizer shall within a period not exceeding two working days from the date of close of e-voting unlock the votes in the presence of at least two witnesses, not in the employment of the Company and make Scrutinizer's Report of the votes cast in favour of or against, if any, forthwith to the Chairman of the Company.

The results of e-voting and poll on resolutions shall be aggregated and declared on or after the AGM of the Company and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite numbers of votes in favour of the resolutions.

The results declared along with the Scrutinizer's report shall be placed on the Company's website [www.confidencegroup.co](http://www.confidencegroup.co) and on the website of CDSL viz [www.cdslindia.com](http://www.cdslindia.com) within two days of passing of the resolutions at the AGM of the Company and communicated to Stock Exchanges.

By the order of Board  
Confidence Petroleum India Limited

SD/-  
**Nitin Khara**  
(Chairman)

Place: Nagpur  
Dated: 28 August, 2019

# Notice

## OF TWENTY FIFTH ANNUAL GENERAL MEETING (Contd.)

### ANNEXURE TO THE NOTICE

#### EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

##### ITEM NO. 3 : Ratification of Cost Auditor's Remuneration.

The Board of Directors at their meeting held on 28 August, 2019, on recommendation of the Audit Committee, approved the appointment of **M/s. Narendra Peshne & Associates**, Cost Accountants, Nagpur, Membership No. 11192, as cost auditors of the Company to conduct the audit of the cost records of the Company in respect of products manufactured by the Company for the financial year 2019-20 on a remuneration of ₹ 70000 Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, approval of the members is sought by way of an ordinary resolution as set out at item no. 3 of the notice ratifying the remuneration payable to the Cost Auditors for the financial year 2019-20.

The Board, based on the recommendation of the Audit Committee, unanimously, recommends the ordinary resolution as set out in item no. 3 of this notice.

None of the Directors/Key Managerial Personnel of the Company/their relatives are in any way, concerned or interested, financially or otherwise, in the resolution.

##### ITEM NO. 4 - Re-appointment of Mr. Sumant Sutaria as an Independent Director.

The members of the Company at the Annual General Meeting held on 30th September, 2014 appointed, Mr. Sumant Sutaria ("Non-Executive Independent Director") as an independent director for a term of five years effective from 30th September, 2014 "(Considered as Present Term)". In terms of the provisions of Section 149 of the Act, the Non-Executive independent director of the Company is eligible for re-appointment for his second term.

Pursuant to Sections 149, 152, 160 and all other applicable provisions, if any, of the Companies Act, 2013 ("Act"), the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV to the Act and SEBI (Listing Obligations and Disclosure Requirements), Regulations ("Listing Regulations"), approval of the members by way of special resolution is required for the reappointment of the Non-Executive Independent Director for a second term of five consecutive years from 30th September, 2019 to 29th September, 2024.

The Board, after taking into consideration the valuable contributions made the Non-Executive Independent Director; his participation in the Board; performance evaluation of the Non-Executive Independent Director unanimously recommends the special resolution as set out at item no. 4 of this notice.

None of the other directors and key managerial personnel or their relatives is interested in this resolution financially or otherwise.

# Notice

## OF TWENTY FIFTH ANNUAL GENERAL MEETING (Contd.)

### ITEM NO. 5 – Re-Appointment and Remuneration of Managing Director & CEO.

The Board of Directors of the Company (the 'Board'), at its meeting held on 28 August, 2019 has, subject to the approval of members, re-appointed Mr. Nitin Khara as Managing Director, for a period of 5 (five) years, at the remuneration recommended by the Nomination and Remuneration Committee of the Board and approved by the Board. Mr. Nitin Khara, is not disqualified from being re-appointed as a Director by virtue of the provisions of Section 164 of the Act. Pursuant to Section 152 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Articles of Association of the Company, it is proposed that Mr. Nitin Khara, be appointed as a Managing Director of the Company, not liable to retire by rotation.

Mr. Nitin Khara is a promoter director and has very rich experience in industry and is acquainted with thorough knowledge of business. It is proposed to seek the member's approval for the re-appointment of and remuneration payable to Mr. Nitin Khara as Managing Director in terms of the applicable provisions of the Act. Broad particulars of the terms of re-appointment of and remuneration payable to Mr. Nitin Khara which are as per Section 196 and 197 read with Schedule V of the Companies Act, 2013 are as follows:

- a. Basic Salary ₹ 800000/- per month in scale of ₹ 800000-1000000
- b. Perquisites and Allowances: NIL

the above remuneration to Managing Director will include dearness and other allowances, accommodation [furnished or otherwise] or House Rent Allowance in lieu thereof: reimbursement of expenses for utilization of gas, electricity, water, furnishing, medical reimbursement at actual for self and his family, leave travel concession at actual for self and his family, club fees, medical insurance and such other perquisites within the amount specified above. The said perquisites and allowances shall be evaluated, wherever applicable, as per the Income Tax Act, 1961 or any rules thereunder [including any statutory modification[s] or re-enactment thereof, for the time being in force]. In the absence of any such rules, perquisites and allowances shall be evaluated at actuals. However, Company's contribution to Provident fund, Superannuation or Annuity Fund, to the extent these singly or together are not taxable under the Income Tax Act, and Gratuity payable and encashment of leave at the end of tenure, as per rules of the Company, shall not be included in the computation of limits for the remuneration. Further, the Company shall provide car for use on Company's business and telephone at residence for official purpose. Provision of a car for use on Company's business and telephone at residence for official purpose are not to be considered as perquisites.

The term "Family" means the spouse, the dependent children and the dependent parents of the Managing Director. The Managing Director shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committee thereof. The remuneration payable to the Managing Director by way of salary, dearness allowance, perquisites and any other allowances shall not however exceed the ceiling limit of ₹ 12000000/- per annum. The Board of Directors or any Committee thereof is entitled to determine and revise the salary and perquisites and allowances payable to the Managing Director of the Company at any time, such that the overall remuneration payable shall not exceed the aggregate limit of ₹ 1.2000000/- per annum as specified above.

Notwithstanding anything to the contrary herein contained where in any financial year during the currency of the tenure of the Managing Director, the Company has no profits or its profits are inadequate, then also he shall be paid salary, allowances and perquisites as specified above in accordance with the applicable provisions of Schedule V of the Companies Act, 2013 and subject to the such approvals including approval of the Central Government, if any, required.

II) Other Conditions:

- 1) For all other terms and conditions not specifically spelt out above, the Rules and Order of the Company shall apply.

# Notice

## OF TWENTY FIFTH ANNUAL GENERAL MEETING (Contd.)

- 2) The Managing Director, hold office as such, subject to the provisions of Section 164 of the Companies Act, 2013. The Explanatory Statement together with the accompanying Notice should be treated as an abstract of the terms of the Agreement of concern or interest under Section 190 of the Companies Act, 2013. The Resolution at Item No. 5 is recommended for approval of the Members in the best interest of the Company. The re-appointment has been made under Schedule V in Part II in Section II (A) (i) of the Companies Act, 2013.

None of the Director or Key Managerial Personnel of the Company or their relatives in the Management is in any way, concerned or interested, financially or otherwise, in this resolution.

By the order of Board  
Confidence Petroleum India Limited

SD/-  
**Nitin Khara**  
(Chairman)

Place: Nagpur  
Dated: 28 August, 2019

### PARTICULARS OF DIRECTORS PROPOSED TO BE APPOINTED/ RE-APPOINTED AT THE 25TH ANNUAL GENERAL MEETING

Name of Director	Elesh Punamchand Khara	Nitin Punamchand Khara	Sumant Jayantilal Sutaria
<b>DIN</b>	01765620	01670977	00298428
<b>DOB</b>	06/06/1967	09/03/1961	21/07/1958
<b>AGED</b>	52 Years	58 Years	61 Years
<b>Date of Appointment</b>	20/02/2004	01/10/2004	20/02/2004
<b>Qualification</b>	Graduate	Graduate	Graduate
<b>Experience</b>	27 Years	30 YEARS	20 Years
<b>Directorship In Listed Companies ( Including Present Appointment)</b>	1 (One)	2 (Two)	1 (One)
<b>Shares Held</b>	9621251	23532987	9380
<b>Relationship</b>	Promoter & KMP of the Company	Promoter & KMP of the Company	No relationship with any Director, Manager and other Key Managerial Personnel of the Company

# Notice OF TWENTY FIFTH ANNUAL GENERAL MEETING (Contd.)

## ROUTE MAP FOR THE VENUE OF THE MEETING

VENUE : DRAGONFLY HOTEL, NEW CHAKALA LINK ROAD, OPPOSITE SOLITAIRE CORPORATE PARK, NEAR JB NAGAR GURUDWARA, ANDHERI (EAST), MUMBAI – 400093.



# Board's Report



To,  
The Members

## Confidence Petroleum India Limited,

The Directors are pleased to present to you the 25th Annual Report on the business and operations of your Company along with the audited Financial Statements of Account for the year ended 31 March, 2019. The summarized results for the year ended 31 March, 2019 are as under:

### FINANCIAL RESULTS ( STANDALONE AND CONSOLIDATED)

The performance of the Company for the financial year ended 2018-19 is summarized below:

Particulars	STANDALONE		CONSOLIDATED	
	2018-19	2017-18	2018-19	2017-18
	(₹ In Lacs)			
<b>Net Revenue from operations</b>	87334.39	57364.22	100452.99	60674.91
<b>Add: Other Income</b>	422.33	196.14	467.33	315.77
Less: Expenditure	75674.28	50580.07	87807.32	53572.6
<b>Operating Profit (PBIDT)</b>	12082.44	6980.29	13113	7418.08
Less: Interest & Financial Charges	830.29	1051.52	1091.83	1208.96
Less: Depreciation	2815.22	2319	2979.53	2450.17
<b>Profit Before Tax &amp; Exceptional Item</b>	8436.92	3609.77	9041.64	3758.95
Less : Exceptional Item	0	0	0	0
Less : Extraordinary Item	0	0	0	0
<b>Profit Before Tax</b>	8436.92	3609.77	9041.64	3758.95
Less: <b>Provision for Taxation:</b>				
1) Current Tax:	2005.53	899.98	2075.07	908.74
2) Deferred Tax:	525.54	182.96	532.59	193.56
<b>Profit after Tax</b>	5905.85	2526.83	6433.97	2656.65
<b>Earnings Per Share (EPS)</b>	2.16	0.98	2.44	1.04
	2.16	0.98	2.44	1.04

The Company has adopted Indian Accounting Standard (referred to as 'Ind AS') with effect from 1 April, 2017 and accordingly these financial results along with the comparatives have been prepared in accordance with the recognition and measurement principles stated therein, prescribed under Section 133 of the Companies Act, 2013 ("Act") read with the relevant Rules framed thereunder and the other accounting principles generally accepted in India.

### FINANCIAL PERFORMANCE AND THE STATE OF THE COMPANY'S AFFAIRS

#### (A) COMPANY'S PERFORMANCE (STANDALONE & CONSOLIDATED)

On a Standalone basis, the Operating Revenue stood at ₹ 873.34 Crores in FY19 compared to ₹ 573.64 Crores in FY18. The profit in FY19 was at ₹ 59.05 Crores as compared to a Profit of ₹ 25.26 Crores last year. The Operating Revenue of the Company increased by 52.24% and PAT is increased by 133.76%.

On Consolidated basis, the Operating Revenue stood at ₹ 1004.52 Crores in FY19 compared to ₹ 606.74 Crores in FY18. The profit in FY19 was at ₹ 64.33 Crores as compared to a Profit of ₹ 26.56 Crores last year. The Operating Revenue of the Company increased by 65.56% and PAT is increased by 142.20%.

# Board's Report (Contd.)

## (B) ANNUAL PERFORMANCE

Details of the Company's annual financial performance as published on the Company's website and presented during the Analyst Meet, after declaration of annual results; can be accessed on the Company's website.

## (C) COMPANY'S AFFAIRS/ CURRENT BUSINESS

The year 2018-19 has set the momentum for CPIL for achieving the strategic and operational goals set for the next three financial years. CPIL scaled new heights and recorded its best financial and operational performance. We continued to progress in our cylinder manufacturing division and LPG bottling division. We have made a good progress in developing our dealer and stockist network in new states and developing the right vendor relations to service our Auto LPG stations. Auto LPG as a transport fuel, continues to grow and in 2019 we have initiated discussions and are also working alongside with various policymakers in the state and Central Government, to introduce Auto LPG in the Northern States

The Government's initiatives to provide clean fuel to every household has made India as the second largest consumer of LPG fuel globally. We have an ambitious capex plan over the next three years. The Company has planned capacity expansion for ALDS and bottling plants. The total capital expenditure planned is ₹ 4.44 billion.

## DIVIDEND

The Dividend Distribution Policy framed in line with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) and is also uploaded on the Company's website. The Company has declared an interim dividend of 10% i.e. ₹ 0.10/- per share on 22 January, 2019 during the Financial Year 2018-19. The Company has not declared any final Dividend.

Your Company has formulated a Dividend Policy as provided to this Report and the same is disclosed on the website of the Company.

## SHARE CAPITAL

During the year, the Company has allotted 1,50,00,000 Equity shares of ₹ 1 each at price of ₹ 52 per Share including Premium of ₹ 51 on Preferential basis. Consequently, during the year, the subscribed and paid up Share Capital of the Company has increased from ₹ 2588.35 Lacs to ₹ 2738.35 Lacs.

Post closure of Financial Year 2018-19, the Company has issued 1,01,76,923 Convertible warrant at ₹ 52 (Including ₹ 51 as Premium) to Gaspoint Petroleum India Limited on dated 26 July, 2019 on payment of 25% subscription amount.

## RESERVE

As per Standalone financials, the net movement in the reserves of the Company for FY19 and FY18 is as follows:

Particulars – Standalone	(Amount in ₹ Lacs)	
	As on 31 March, 2019	As on 31 March, 2018
Capital Subsidy Reserve	22.50	22.5
Capital Reserve	145.24	145.24
Securities Premium	16878.10	9228.10
Revaluation Reserves	1049.99	1049.99
Surplus	15982.74	10437.27
<b>TOTAL</b>	<b>34078.59</b>	<b>20883.11</b>

The Board of Directors has decided to retain the entire amount of profits for FY19 in P&L account.

# Board's Report (Contd.)

## **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE REPORT**

There are no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this Report.

### **PUBLIC DEPOSITS**

During the year ended 31 March, 2019 your Company has not accepted any deposits from the public, other than deposit on Cylinders from new customers. Further these deposits are secured against cylinders supplied to them. There is no other deposit remained unpaid/ unclaimed at the end of the financial year.

### **RELATED PARTY TRANSACTIONS**

All contracts/ arrangements/ transactions entered into by the Company during the FY 2018-19 with related parties were on an arm's length basis and in the ordinary course of business. There were no material related party transactions (RPTs) undertaken by the Company during the year that require shareholders' approval under Regulation 23(4) of the SEBI Listing Regulations or Section 188 of the Act. The approval of the Audit Committee was sought for all RPTs. All the transactions were in compliance with the applicable provisions of the Act and SEBI Listing Regulations

Form AOC – 2 has been annexed to this report.

### **SUBSIDIARIES AND ASSOCIATE COMPANIES**

The Company has 12 (Twelve) subsidiaries as on 31 March, 2019. There are 5 (Five) associates or joint venture companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act"). There has been no material change in the nature of the business of the subsidiaries.

Pursuant to the provisions of Section 129(3) of the Act, a statement containing the salient features of financial statements of the Company's subsidiaries in Form AOC-1 is attached to the financial statements of the Company.

Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiaries, are available on the website of the Company.

### **CORPORATE GOVERNANCE**

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirement set out by the SEBI. The Company has also implemented several best governance practices. The report on Corporate Governance under Regulation 34 of the SEBI Listing Regulations read with Schedule V of the said Regulations forms an integral part of this Report. A report on Corporate Governance covering among others composition, details of meetings of the Board and Committees along with a certificate for compliance with the conditions of Corporate Governance in accordance with the Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, issued by the Statutory Auditors of the Company, forms part of this Annual Report.

### **MANAGEMENT DISCUSSION AND ANALYSIS [MDA] REPORT**

In terms of Regulation 34 (2) (e) of the Listing Regulations, 2015 read with other applicable provisions, the detailed review of the operations, performance and future outlook of the Company and its business is given in the Management Discussion and Analysis Report which forms part of this Annual Report and is incorporated herein by reference and forms an integral part of this report.

# Board's Report (Contd.)

## DECLARATION BY INDEPENDENT DIRECTORS

All Independent Directors of the Company have given declarations under Section 149(7) of the Act, that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations. In terms of Regulations 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

## CEO/ CFO CERTIFICATION

As required under Regulation 17(8) read with Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the CEO/ CFO certification is attached with the annual report.

## SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

The Competition Commission of India has taken up a case in FY 2012-13 against all cylinder Manufacturers regarding bid rigging and imposed a penalty of ₹ 27.36 Crores. The Case has been adjudged by Honorable Supreme Court finally decided in favour of Company and no penalties against this order is payable by the Company. Further, the Competition commission has taken up fresh case against Company and all cylinder Manufacturers regarding bid rigging and imposed a penalty of ₹ 2.84 Crores vide order dated 9 August, 2019. The Company is planning to file petition against this order with Tribunal

## DISCLOSURE OF FRAUDS IN THE BOARD'S REPORT U/S 143 OF THE COMPANIES ACT, 2013

During the year under review, your Directors do not observe any transactions which could result in a fraud. Your Directors hereby declares that the Company has not been encountered with any fraud or fraudulent activity during the Financial Year 2018-19.

## MEETINGS OF THE BOARD

**12 (Twelve)** meetings of the Board were held during the year under review. For details of meetings of the Board, please refer to the Corporate Governance Report, which is a part of this report.

## COMMITTEES OF THE BOARD

The Committees of the Board focus on certain specific areas and make informed decisions in line with the delegated authority. The following statutory Committees and other committee constituted by the Board function according to their respective roles and defined scope:

Audit Committee of Directors

Nomination and Remuneration Committee

Corporate Social Responsibility Committee

Stakeholders Relationship Committee

Management Committee

Allotment Committee

Details of composition, terms of reference and number of meetings held by respective committees are given in the Report on Corporate Governance, which forms a part of this Report. Further, during the year under review, all recommendations made by the Audit Committee have been accepted by the Board.

## VIGIL MECHANISM

The Company has established a whistle blower policy/ vigil mechanism to provide an avenue to raise concerns. The mechanism provides for adequate safeguards against victimization of employees who avail of it. The policy also lays down the process to be followed for dealing with the complaints and in exceptional cases, also provides for direct appeal to the Chairperson of the Audit Committee. The Whistle Blower Policy established by the Board is available on the Company's website.

# Board's Report (Contd.)

## LISTING OF SHARES

The Equity Shares of the Company are listed on Bombay Stock Exchange Ltd. The Company has paid Annual Listing Fees to the stock exchange for the Financial Year 2018-19.

The Company as on 13 June, 2019, has listed its shares on National Stock Exchange of India Limited (NSE).

## DIRECTORS & KMP

### CHANGE IN BOARD COMPOSITION

Mr. Supratim Basu was appointed as Independent Director of the Company for a period of 5 years from 29 September, 2019 to 28 September, 2024. His appointment as Director was approved at the 24th Annual General Meeting (AGM) by the Members

### RETIREMENT BY ROTATION:

In accordance with the provisions of section 152(6) of the Act and in terms of Articles of Association of the Company Mr. Elesh Khara (DIN: 01765620) will retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board recommends his re-appointment.

### INDEPENDENT DIRECTORS

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and in Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

At the AGM held on 30 September, 2014, Mr. Sumant Sutaria was appointed as Independent Director of the Company for a period of 5 years (Considered as present Term). Thus, he will hold office till 29 September, 2019 and offers himself for the Re-appointment for a Second term of 5 years subject to approval of Shareholders in 25th AGM.

### KEY MANAGERIAL PERSONNEL

In terms of Section 203 of the Act, the Key Managerial Personnel (KMPs) of the Company during FY 2018-19 are:

- Mr. Nitin Khara, Chairman, Managing Director & Chief Executive Officer,
- Mr. Elesh Khara, Chief Financial Officer and Executive Director,
- Ms. Prity Bhabhra – Company Secretary and Compliance Officer.

### REMUNERATION POLICY FOR THE DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

In terms of the provisions of Section 178(3) of the Act and Regulation 19 read with Part D of Schedule II to the Listing Regulations, the NRC is responsible for formulating the criteria for determining qualification, positive attributes and independence of a Director. The NRC is also responsible for recommending to the Board, a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees. In line with this requirement, the Board has adopted the Policy on Board Diversity and Director Attributes, which is provided in Annexure to this Report.

### DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Companies Act, 2013, Directors of your Company hereby state and confirm that:

- In the preparation of Annual Accounts of the Company, the applicable Accounting Standards have been followed along with proper explanation to material departures;
- They 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 2018-19 and of the Profit of the Company for that period.

# Board's Report (Contd.)

- They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- They have prepared the annual accounts of the Company on a going concern basis.
- They have laid down internal financial controls in the Company that are adequate and were operating effectively.
- They have devised proper systems to ensure compliance with the provisions of all applicable laws and these were adequate and operating efficiently.

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

## **EXTRACT OF THE ANNUAL RETURN [MGT-9] AS PROVIDED UNDER SUB-SECTION (3) OF SECTION 92**

The Extract of the annual return as provided under sub-section (3) of section 92 of the Companies Act, 2013 is annexed herewith. The extracts of the Annual Return of the Company can also be accessed on the Company's website at [www.confidencgroup.co](http://www.confidencgroup.co)

## **DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY**

The Company has been addressing various risks impacting the Company and the policy of the Company on risk management is provided elsewhere in this Annual Report and in Management Discussion and Analysis [MDA].

## **BOARD EVALUATION**

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and SEBI Listing Regulations.

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

In a separate meeting of independent directors, performance of non-independent directors, the board as a whole and the Chairman of the Company was evaluated, taking into account the views of executive directors and non executive directors.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In the board meeting that followed the meeting of the independent directors and meeting of Nomination and Remuneration Committee, the performance of the board, its committees and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

## **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

As provided in Section 135 of the Companies Act, 2013 every Company fulfilling the criteria mentioned is required to constitute a CSR Committee and is mandated to comply with the conditions mentioned therein.

## **CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

As required under section 134(3)(o) and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014, the annual report on CSR activities forming part of the Director's Report is annexed as Annexure II.

# Board's Report (Contd.)

## AUDITORS

### AUDITORS AND AUDITOR'S REPORT

The appointment of **M/s. Akhil Rathi & Co., Chartered Accountants, Nagpur and M/s. Ganesh Adukia and Associates Chartered Accountants, Mumbai**, is to be ratified for the financial year 2018-19 in the ensuing Annual General meeting of the members.

The Notes on financial statements referred to in the Auditor's Report are self-explanatory and do not call for any further comments. The Auditor's Report does not contain any qualification, reservation, adverse remark or disclaimer.

No fraud has been reported by the Auditors under section 143(12) of the Companies Act, 2013 requiring disclosure in the Board's Report.

### COST AUDITORS AND COST AUDIT REPORT

Pursuant to Section 148(1) of the Companies Act, 2013 your Company is required to maintain cost records as specified by the Central Government and accordingly such accounts and records are made and maintained.

Pursuant to Section 148(2) of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, your Company is also required to get its cost accounting records audited by a Cost Auditor. Accordingly, the Board, at its meeting held on 28 August, 2019 has on the recommendation of the Audit Committee, re-appointed **M/s. Narendra Peshne & Associates**, Cost Accountants, Nagpur to conduct the audit of the cost accounting records of the Company for FY 2019-20. The remuneration is subject to the ratification of the Members in terms of Section 148 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and is accordingly placed for your ratification.

### SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company has appointed CS Yugandhara Kothalkar, Practicing Company Secretary, to conduct Secretarial Audit for the Financial Year 2018-19. The Secretarial Audit Report for the Financial Year ended 31 March, 2019 is annexed herewith to this Report. The report doesn't contain any remark made by the Secretarial Auditors and do not call any comments.

### COMPLIANCE WITH SECRETARIAL STANDARDS

The Company confirms compliance with the applicable requirements of Secretarial Standards 1 and 2.

### CODES OF CONDUCT FOR DIRECTORS AND EMPLOYEES

The Company has adopted a Code of Conduct for its Non-Executive Directors including a code of conduct for Independent Directors which suitably incorporates the duties of Independent Directors as laid down in the Act. The Company has also adopted the Code of Conduct for its employees including the Managing and Executive Directors.

### INTERNAL CONTROL SYSTEM/ FINANCIAL CONTROL

The Company maintains adequate internal control system, which provides, among other things, reasonable assurance of recording the transactions of its operations in all material aspects and of providing protection against significant misuse or loss of Company's assets. The Company uses an Enterprise Resource Planning (ERP) package, Business Intelligence and Analytics package, which enhances the internal control mechanism. The Company's internal control system comprises audit and compliance by in-house Internal Audit Division. Independence of the audit and compliance is ensured by the direct reporting of Internal Audit Division and internal Auditors to the Audit Committee of the Board.

# Board's Report (Contd.)

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Information in accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are set out below:

### (A) CONSERVATION OF ENERGY

Your Company is continuously taking initiatives to ensure the optimum utilization of energy available in day to day operations not only in offices but also at different sites of execution of various projects. Your Company uses energy efficient lighting devices, light fittings to save energy, capacitor bank/ devices to maintain power factor and plant & equipment which are environment and power efficient.

### (B) TECHNOLOGY ABSORPTION

Your Company is doing its business by ensuring optimum utilization of its available resources. Your Company has not undertaken any research & development activity so far. It has been executing its projects by using modern techniques, modern machineries and by ensuring the optimum utilization of its technical, professional and skilled manpower.

### (C) FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company has incurred the following expenses in foreign currency during the financial year 2018-19. The rupee equivalent of that amount has been given hereunder;

Foreign Exchange earnings and Outgo: Earning of foreign Currency and outgo is made under following head: [Refer Notes to accounts: Note 29, Sub-note 17 Part E to I]

Particulars	(₹ In Lacs) 2018-19
Outgoing	
For Purchase of LPG(High Seas purchase payment made in INR)	11295.98
For Purchase of LPG Dispensers	517.90
Earnings	
For Investment in Equity of Foreign Subsidiary (PT Surya Go Gas, Indonesia) Return on investment received	88.07

## INTERNAL COMPLAINT COMMITTEE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

Your Company is committed to creating and maintaining an atmosphere in which employees can work together without fear of sexual harassment, exploitation or intimidation. The Board of Directors of your Company has constituted Committees (ICCs) at Corporate Office as well as regional levels pursuant to the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder. Since there were no complaints received by the committee during the year 2018-19.

### GENERAL

Your Directors state that, no other disclosure or reporting is to be made separately on any other items requiring explanation during the year under review.

# Board's Report (Contd.)

## CAUTIONARY STATEMENT

Certain statements made in the management discussion and analysis report relating to the Company's objectives, projections, outlook, expectations, estimates and others may constitute 'forward-looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations, projections and so on, whether express or implied. Several factors could make a significant difference to the Company's operations. These include economic conditions affecting demand and supply, government regulations and taxation, natural calamities and so on over which the Company does not have any direct control.

## ACKNOWLEDGEMENT

Your Directors place on record their appreciation for the contributions made by employees towards the success of your Company. Your Directors gratefully acknowledge the co-operation and support received from the Shareholders, Customers, Vendors, Bankers, regulatory and Governmental authorities.

For and on behalf of the Board Director

SD/-  
**Nitin Khara**  
Managing Director  
DIN : 01670977

Place: Nagpur  
Date: 28/08/2019

SD/-  
**Elesh Khara**  
Director  
DIN :01765620

# Board's Report (Contd.)

## ANNEXURE TO BOARD'S REPORT

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

As prescribed under Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014

- 1. A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs:**

#### INTRODUCTION

The CSR initiatives focus on local development of communities and create social, environmental and economic value to the society.

A gist of the programs that the Company can undertake under the CSR policy is given separately as a part of this Report

- 2. The Composition of the CSR Committee:** Nitin Khara (Chairman),  
Elesh Khara (Member)  
Mansi Deogirkar (Member)
- 3. Average net profit of the Company for last three financial years (2015-16 to 2017-18):** ₹ 1508.72 Lacs
- 4. Prescribed CSR expenditure (two per cent of the amount as in item 3 above) (2015-16 to 2017-18) :** ₹ 30.25 Lacs

Manner in which amount spent during the financial year is detailed below

Sr. No.	CSR project or activity identified	sector in which the project is covered	Locations (Unit)	amount spent on the project or programs	Cumulative Expenditure upto reporting period	amount spent: Direct or through implementing agency
01.	Kerala Flood Relief	Social	Kerala	3025000	3025000	Direct

- 5. Details of CSR spend during the financial year:**
- (a) Total amount spent for the financial year : ₹ 3025000/-
- (b) Amount unspent : NIL
- (c) Manner in which the amount spent during the financial year is as given separately in this Report
- 6. In case the Company has failed to spend two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report:** Not applicable. (The Company has spent whole amount)
- 7. The CSR Committee of the Company hereby confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.**

Nitin Khara

(Managing Director, Chairman -CSR Committee)

# Board's Report (Contd.)

## OUTLINE OF CSR POLICY

The Mission and philosophy of CSR function of the Company is "To contribute positively to the development of the society, by acting as a good neighbour, considerate of others, playing the role of a good corporate citizen with passion and compassion." Hence the CSR activities undertaken by the organization essentially focus on four core areas of Environment, Health, Education and Community Development.

The focus of the Company is to contribute to various institutions and initiatives around the manufacturing locations to provide social services to the needy.

The Company will undertake CSR activities as specified in Schedule VII of the Companies Act, 2013 (including any amendments to Schedule VII and any other activities specified by the Government through its notifications and circulars) but will not be limited to the following:

1. Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation, including contribution to the Swach Bharat Kosh set up by the Central Government for the promotion of sanitation and making available safe drinking water;
2. Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
3. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
4. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set up by the Central Government for rejuvenation of river Ganga;
5. Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts;
6. Measures for the benefit of armed forces veterans, war widows and their dependents;
7. Training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports;
8. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the scheduled castes, the scheduled tribes, other backward classes, minorities and women;
9. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
10. Rural development projects;
11. Slum area development.



## Form No. AOC-1

Statement containing salient features of financial statement of Subsidiaries

### Part A : Subsidiaries

Sr. No.	Name of the Subsidiary	Period	Reporting currency	Share Capital	Reserve & surplus	Total Asset	Total Liabilities	Investment	Turnover	Profit Before Tax	Profit After Tax	Proposed Dividend	% Shareholding
1	Hemkunt Petroleum Ltd	2018-19	INR	20.00	0.57	1218.02	1218.02	0.00	611.43	0.51	0.38	0.00	100.00
2	Taraa LPG Bottling Pvt. Ltd	2018-19	INR	1.00	-37.49	69.77	69.77	0.00	0.00	-0.15	-0.15	0.00	100.00
3	Agwan Coach Pvt. Ltd	2018-19	INR	10.00	-100.39	1.29	1.29	0.00	19.24	2.47	1.77	0.00	100.00
4	Gaspoint Bottling Pvt. Ltd	2018-19	INR	3.2	15.04	180.63	180.63	0.10	3348.22	51.80	36.26	0	100.00
5	Confidence Go Gas Ltd	2018-19	INR	5.00	107.94	228.89	228.89	172.38	18.88	125.93	125.83	0.00	100.00
6	Keppy Infrastructure Developers Pvt. Ltd.	2018-19	INR	1.00	-22.86	39.91	39.91	0.00	49.54	4.39	3.07	0.00	100.00
7	Unity Cylinders Equipment Pvt. Ltd	2018-19	INR	1.00	16.56	538.28	538.28	0.00	1109.31	32.44	24.33	0.00	100.00
8	Confidence Technologies Pvt. Ltd.	2018-19	INR	1.00	13.55	1119.31	1119.31	0.00	2246.82	17.26	12.03	0.00	100.00
9	S.V. Engineering Pvt. Ltd.	2018-19	INR	1.0	-30.40	717.44	717.44	0	613.70	15.59	10.91	0	100.00
10	Confidence Futuristic Infra Ltd	2018-19	INR	20.0	6.65	1651.84	1651.84	229.10	900.12	72.84	53.90	0	52.52
11	Blue flame Industries Pvt. Ltd	2018-19	INR	50.00	18.96	1331.35	1331.35	0	2038.51	26.92	18.84	0	75.00
12	Pt Surya Go Gas Indonesia	2017-18	IDR	2514.00	2688.52	5807.77	5807.77	84.73	325.72	46.28	37.49	0.00	70.00

### Part B : Associates

Sr. No.	Name of the Associates	Latest Audited Balance sheet Date	Shares of Associate/Joint Ventures held by the company on the year end			Reason why the associate / joint ventures is not consolidated	Networth attributable to Shareholding	Profit / Loss for the year	Considered in consolidation	Not considered in consolidation
			No	Amount of Investment	Extent of Holding %					
1.	Chhatisgarh Gaspoint Bottling Pvt. Ltd.	31/03/2019	0.45	39.00	50	NA	50	0.04	-	-
2	Nine Infra Projects Pvt. Ltd	31/03/2019	0.05	2.5	50	NA	50	40.06	-	-
3	Papusha Gases Pvt Ltd	31/03/2019	0.05	0.50	50	NA	50	0	-	-
4.	Jaypore Blueflames Pvt. Ltd	31/03/2019	0.05	0.50	50	NA	50	0	-	-
5.	Suraj Cylinders Pvt. Ltd	31/03/2019	0.05	10.25	50	NA	50	0	-	-

# Board's Report and Annexure : AOC-2



## ANNEXURE TO THE DIRECTOR'S REPORT AOC-2

### PARTICULARS OF CONTRACTS/ ARRANGEMENTS MADE WITH RELATED PARTIES :

(Pursuant to Clause(h) of Section 134(3) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014- AOC- 2 )

This Form pertains to the disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in Section 188(1) of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

#### Details of contracts or arrangements or transactions not at arm's length basis :

There were no contracts or arrangements or transactions entered into during the year ended 31 March, 2019, which were not at arm's length basis.

#### Details of material contracts or arrangement or transactions at arm's length basis :

The details of material contracts or arrangement or transactions at arm's length basis for the year ended 31 March, 2019 are as under :

#### 1. SALE/ PURCHASE/ SUPPLY OF GOODS :

Name of the Related Party	Nature of Relationship	Nature of Contract	Duration	Particulars of Contract	Advance
Sneha Petroleum	Company is Partner	Purchases	Yearly	Purchase of LPG	NIL
Gaspoint Petroleum India Ltd.	Associate Company	Purchases	Yearly	Purchase of LPG	NIL
Confidence Technologies Pvt. Ltd.	Wholly Owned Subsidiary Company	Purchases	Yearly	Purchase of LPG	NIL
SV Engineering Pvt. Ltd.	Wholly Owned Subsidiary Company	Purchases	Yearly	Purchase of LPG	NIL
Unity Cylinders Equipment Pvt. Ltd.	Subsidiary Company	Purchases	Yearly	Purchase of LPG	NIL
Gaspoint Bottling Pvt. Ltd.	Wholly owned Subsidiary Company	Purchases	Yearly	Purchase of LPG	NIL
Confidence Futuristic Energetech Pvt. Ltd.	Subsidiary Company	Purchases	Yearly	Purchase of LPG	NIL
Confidence LPG Bottling Pvt. Ltd.	Associate Company	Purchases	Yearly	Purchase of LPG	NIL

#### 2. AVAILMENT OF THE SERVICES :

Name of the Related Party	Nature of Relationship	Nature of Contract	Duration	Particulars of Contract	Advance
Nitin Khara	Managing Director	Salary	Yearly	Salary	NIL
Elesh Khara	Executive Director & CFO	Salary	Yearly	Salary	NIL

# Board's Report and Annexures

## FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

### I. REGISTRATION & OTHER DETAILS:

1	CIN	L40200MH1994PLC079766
2	Registration Date	21-07-1994
3	Name of the Company	CONFIDENCE PETROLEUM INDIA LIMITED
4	Category/Sub-category of the Company	Company limited by Shares Non-govt Company
5	Address of the Registered office & contact details	701, Shivai Plaza Premises CHS Ltd., Plot No. 79, Marol Ind. Estate, Nr. Mahalaxmi Hotel, Andheri (East) Mumbai, MH – 400059, India.
6	Whether listed Company	Yes ( BSE & NSE)
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Adroit Corporate Services Pvt.Ltd. 17-20, Jafferbhoy Ind. Estate, 1st Floor, Makwana Road, Marol Naka, Andheri (E), Mumbai 400059, India

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the Company shall be stated)

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the Company
1	Sale of Cylinder	28121	26.18%
2	LPG Bottling, Sale of LPG, ALDS	23203	73.82%

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Hemkunt Petroleum Limited	U23203PB1994PLC015318	Subsidiary	100	Sec 2 (87)
2	Taraa LPG Bottling Private Limited	U23201TN2000PTC044791	Subsidiary	100	Sec 2 (87)
3	Agwan Coach Private Limited	U34102MH1995PTC091048	Subsidiary	100	Sec 2 (87)
4	Keppy Infrastructure Developers Private Limited	U74210MH1997PTC112604	Subsidiary	100	Sec 2 (87)
5	Unity Cylinders & Equipments Private Limited	U11100MH2016PTC273500	Subsidiary	100	Sec 2 (87)
6	Confidence Technologies Private Limited	U23203MH2006PTC161155	Subsidiary	100	Sec 2 (87)
7	Gas Point Bottling Private Limited	U23200MH1999PTC122337	Subsidiary	100	Sec 2 (87)
8	Confidence Go Gas Limited	U11101MH2008PLC181298	Subsidiary	100	Sec 2 (87)
9	S. V. Engineering & Equipments Private Limited	U74900TG2016PTC103719	Subsidiary	100	Sec 2 (87)
10	Confidence Futuristic Energetek Limited	L74110DL1985PLC021328	Subsidiary	52	Sec 2 (87)
11	PT Surya Go Gas Indonesia	NA	Subsidiary	70	Sec 2 (87)

## Board's Report and Annexures (Contd.)

Sr. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
12	Chhattisgarh Gas Point Bottling Private Limited	U45209CT2000PTC014076	Associates	50	Sec 2 (6)
13	Blueflame Industries Private Limited	U74999MH2015PTC266805	Subsidiary	75	Sec 2 (87)
14	Papusha Gases Pvt Ltd	U24111CT1994PTC008870	Associates	50	Sec 2 (6)
15	Jaypore Blueflames Private Limited	U11100RJ2014PTC046258	Associates	50	Sec 2 (6)
16	Nine Infra Projects Private Limited	U45400MH2011PTC218010	Associates	50	Sec 2 (6)
17	Suraj Cylinders Private Limited	U74999MH2017PTC300803	Associates	50	Sec 2 (6)

# Board's Report and Annexures (Contd.)

## IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

### (i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01 April, 2018]				No. of Shares held at the end of the year [As on 31 March, 2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	32962845		32962845	12.74%	33154238		33154238	12.11%	-0.63%
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.	79058138		79058138	30.54%	82111172		82111172	29.98%	-0.56%
e) Banks / FI									
f)-- Any other	24324302	2969698	27294000	10.54%	24553105	2969698	27522803	10.05%	-0.49%
<b>Sub Total (A) (1)</b>	<b>136345285</b>	<b>2969698</b>	<b>139314983</b>	<b>53.83%</b>	<b>139818515</b>	<b>2969698</b>	<b>142788213</b>	<b>52.14%</b>	<b>-1.69%</b>
<b>(2) Foreign</b>									
a) NRI Individuals								0.00%	0.00%
b) Other Individuals								0.00%	0.00%
c) Bodies Corp.								0.00%	0.00%
d) Any other								0.00%	0.00%
<b>Sub Total (A) (2)</b>								0.00%	0.00%
<b>TOTAL (A)</b>	136345285	2969698	139314983	53.83%	139818515	2969698	142788213	52.14%	-1.69%
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs	3315557		3315557	1.28%	16367122		16367122	5.98%	4.70%
h) Foreign Venture Capital Funds									
i) Others (specify)									
<b>Sub-total (B)(1):-</b>	<b>3315557</b>		<b>3315557</b>	<b>1.28%</b>	<b>16367122</b>		<b>16367122</b>	<b>5.98%</b>	<b>4.70%</b>

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# Board's Report and Annexures (Contd.)

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01 April, 2018]				No. of Shares held at the end of the year [As on 31 March, 2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	18249411	1295000	19544411	7.55%	19554073	131000	19685073	7.19%	-0.36%
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 2 Lacs	58611622	5740969	64352591	24.86%	56746922	5344969	62091891	22.67%	-2.19%
ii) Individual shareholders holding nominal share capital in excess of ₹ 2 Lacs	29387906	648000	30035906	11.60%	30200490	648000	30848490	11.27%	-0.33%
c) Any others (including Clearing Members)	555644	0	555644	0.21%	405580	0	405580	0.15%	-0.06%
Non Resident Indians	1715908	0	1715908	0.66%	1648631	0	1648631	0.60%	-0.06%
Overseas Corporate Bodies									
Foreign Nationals									
Trusts									
Foreign Bodies - D R									
<b>Sub-total (B)(2):-</b>	<b>108520491</b>	<b>7683969</b>	<b>116204460</b>	<b>44.90%</b>	<b>108555696</b>	<b>6123969</b>	<b>114679665</b>	<b>41.88%</b>	<b>-3.02%</b>
<b>Total Public (B)</b>	<b>111836048</b>	<b>7683969</b>	<b>119520017</b>	<b>46.18%</b>	<b>124922818</b>	<b>6123969</b>	<b>131046787</b>	<b>47.86%</b>	<b>1.68%</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>Grand Total (A+B+C)</b>	<b>248181333</b>	<b>10653667</b>	<b>258835000</b>	<b>100.00%</b>	<b>264741333</b>	<b>9093667</b>	<b>273835000</b>	<b>100.00%</b>	<b>0.00%</b>

# Board's Report and Annexures (Contd.)

## (ii) Shareholding of Promoter

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year- 01.04.2018			Shareholding at the end of the year- 31.03.2019			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Nitin P Khara	23395637	9.04%	8.01%	23532987	8.59%	7.97%	-0.45%
2	Nalin P Khara	11507504	4.45%	0	11611044	4.24%	0	-0.21%
3	Elesh P Khara	9567208	3.70%	0	9621251	3.51%	0	-0.19%
4	Rasila P Khara	2969698	1.15%	0	2969698	1.08%	0	-0.07%
5	Neela Khara	2282070	0.88%	0	2301855	0.84%	0	-0.04%
6	Alpa Khara	5442350	2.10%	0	5486750	2.00%	0	-0.10%
7	Harsha Khara	4416378	1.71%	0	4477456	1.64%	0	-0.07%
8	Bipin Khara	380000	0.15%	0	380000	0.14%	0	-0.01%
9	Illesh P Khara	296000	0.11%	0	296000	0.11%	0	0.00%
10	Gaspoint petroleum(l) Ltd	66210598	25.58%	0	66387160	24.24%	0	-1.34%
11	"Khara Software Services Ltd"	7600000	2.94%	0	7600000	2.78%	0	-0.16%
12	NNV Finance Pvt Ltd	4953040	1.91%	0	4953040	1.81%	0	-0.10%
13	Confidence LPG Bottling Pvt Ltd	0	0.00%	0	1436353	0.52%	0	100.00%
14	Essenn LPG Bottling Private Limited	294500	0.11%	0	1734619	0.64%	0	0.52%
<b>Total</b>		<b>139314983</b>	<b>53.83%</b>	<b>8.01%</b>	<b>142788213</b>	<b>52.14%</b>	<b>7.97%</b>	

## (iii) Change in Promoter's Shareholding

Sr. No.	Particulars	Name of promoter	as on date	Shareholding		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	At the beginning of the year changes during the year	Nitin P Khara	20-07-2018	23395637	9.04%		
			07-09-2018	20000	0.01%	23415637	9.05%
			14-09-2018	10000	0.01%	23425637	8.55%
			24-09-2018	11000	0.01%	23436637	8.56%
				21350	0.01%	23457987	8.57%
			22-02-2019	15000	0.01%	23472987	8.57%
	At the end of the year		60000	0.02%	23532987	8.59%	
				23532987	8.59%	23532987	8.59%
2	At the beginning of the year changes during the year	Nalin P Khara	17-07-2018	11507504	4.45%		
			18-07-2018	25000	0.01%	11532504	4.46%
			20-07-2018	25000	0.01%	11557504	4.47%
			13-08-2018	25300	0.01%	11582804	4.47%
				18240	0.01%	11601044	4.24%
				10000	0.01%	11611044	4.24%
	At the end of the year		11611044	4.24%	11611044	4.24%	

## Board's Report and Annexures (Contd.)

Sr. No.	Particulars	Name of promoter	as on date	Shareholding		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
3	At the beginning of the year	Elesh P Khara	19-07-2018	9567208	3.70%		
	changes during the year			2486	0.00%	9569694	3.70%
				17514	0.01%	9587208	3.50%
				10193	0.01%	9597401	3.50%
				23700	0.01%	9621101	3.51%
	At the end of the year			9621251	3.51%	9621251	3.51%
4	At the beginning of the year	Neela Khara	18-07-2018	2282070	0.88%		
	changes during the year			8285	0.00%	2290355	0.88%
				1500	0.00%	2291855	0.89%
				10000	0.01%	2301855	0.84%
				2301855	0.84%	2301855	0.84%
	At the end of the year			2301855	0.84%	2301855	0.84%
5	At the beginning of the year	Alpa Khara	20-07-2018	5442350	2.10%		
	changes during the year			11000	0.01%	5453350	2.11%
				20000	0.01%	5473350	2.00%
				13400	0.01%	5486750	2.00%
				5486750	2.12%	5486750	2.00%
	At the end of the year			5486750	2.12%	5486750	2.00%
6	At the beginning of the year	Harsha Khara	19-07-2018	4416378	1.71%		
	changes during the year			20000	0.01%	4436378	1.71%
				30378	0.01%	4466756	1.63%
				10700	0.01%	4477456	1.64%
				4477456	1.64%	4477456	1.64%
	At the end of the year			4477456	1.64%	4477456	1.64%
7	At the beginning of the year	Gaspoint petroleum(l) Ltd	11-10-2018	66210598	25.58%		
	changes during the year			20000	0.01%	66230598	24.19%
	At the end of the year		17-10-2018	66387160	24.24%	66387160	24.24%
8	At the beginning of the year	Confidence LPG Bottling Pvt Ltd		-	0.00%	-	0.00%
	changes during the year			1436353	0.55%	1436353	0.55%
	At the end of the year			1436353	0.55%	1436353	0.55%
9	At the beginning of the year	Essenn LPG Bottling Private Limited		294500	0.11%		
	changes during the year			1440119	0.53%	1440119	0.53%
	At the end of the year			1734619	0.63%	1734619	0.63%

# Board's Report and Annexures (Contd.)

## (iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	For each of the Top 10 shareholders	Date	Reason	Shareholding		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	GLOBAL STRONG GROWTH FUND						
	At the beginning of the year			-	0.00%	-	0.00%
	Changes during the year			13386367	4.89%	13386367	4.89%
	At the end of the year			13386367	4.89%	13386367	4.89%
2	SAMRATH REAL INFRA PRIVATE LIMITED						
	At the beginning of the year			5976043	2.31%		
	Changes during the year			(257113)	-0.09%	5718930	2.09%
	At the end of the year			5718930	2.09%	5718930	2.09%
3	ABHISH KUMAR						
	At the beginning of the year			3483489	1.35%		
	Changes during the year			(135920)	-0.05%	3347569	1.22%
	At the end of the year			3347569	1.22%	3347569	1.22%
4	JASOL INVESTMENT AND TRADING CO. PVT. LTD						
	At the beginning of the year			-	0.00%	-	0.00%
	Changes during the year			2000000	0.73%	2000000	0.73%
	At the end of the year			2000000	0.73%	2000000	0.73%
5	SANJAY V TIBDIWAL						
	At the beginning of the year			1757299	0.68%		
	Changes during the year			(55000)	-0.02%	1702299	0.62%
	At the end of the year			1702299	0.62%	1702299	0.62%
6	MUKESH VIJAY VARGIYA						
	At the beginning of the year			2010271	0.78%		
	Changes during the year			(350000)	-0.13%	1660271	0.61%
	At the end of the year			1660271	0.61%	1660271	0.61%

## Board's Report and Annexures (Contd.)

Sr. No.	For each of the Top 10 shareholders	Date	Reason	Shareholding		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
7	TARUN GUPTA (HUF)						
	At the beginning of the year			1596788	0.62%		
	Changes during the year			(15000)	-0.01%	1581788	0.58%
	At the end of the year			1581788	0.58%	1581788	0.58%
8	KAVITA VINODKUMAR TIBDIWAL						
	At the beginning of the year			1646475	0.64%		
	Changes during the year			(200000)	-0.07%	1446475	0.53%
	At the end of the year			1446475	0.53%	1446475	0.53%
9	AJAY UPADHYAYA						
	At the beginning of the year			600000	0.23%		0.00%
	Changes during the year			750000	0.27%	1350000	0.49%
	At the end of the year			1350000	0.49%	1350000	0.49%
10	DEVENDRA BIPIN KHARA						
	At the beginning of the year			1280001	0.49%		0.00%
	Changes during the year			29000	0.01%	1309001	0.48%
	At the end of the year			1309001	0.48%	1309001	0.48%

### (v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	NITIN KHARA						
	At the beginning of the year	01-04-2018		23395637	9.04%		
	Changes during the year		PURCHASE	137350	-0.44%	23532987	8.59%
At the end of the year	31-03-2019		23532987	8.59%			
2	ELESH KHARA						
	At the beginning of the year	01-04-2018		9567208	3.70%		
	Changes during the year		PURCHASE	54043	0.02%	9567208	3.49%
At the end of the year	31-03-2019		9621251	3.49%			

# Board's Report and Annexures (Contd.)

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
3	SUMANT SUTARIA						
	At the beginning of the year	01-04-2018		34380	0.01%		
	Changes during the year		SELL	(25000)	-0.01%	9380	0.00%
	At the end of the year	31-03-2019		9380	0.00%	9380	0.00%
4	SUPRATIM SUBIMAL BASU						
	At the beginning of the year	01-04-2018		-	0.00%	-	0.00%
	Changes during the year	NIL	PURCHASE	20000	0.01%	20000	0.01%
	At the end of the year	31-03-2019		20000	0.01%	-	0.00%
5	MANSI DEOGIRKAR						
	At the beginning of the year	01-04-2018		-	0.00%	-	0.00%
	Changes during the year	NIL			0.00%		0.00%
	At the end of the year	31-03-2019		-	0.00%	-	0.00%
6	VAIBHAV DEDHIA PRADEEP						
	At the beginning of the year	01-04-2018		-	0.00%	-	0.00%
	Changes during the year	NIL			0.00%		0.00%
	At the end of the year	31-03-2019		-	0.00%	-	0.00%

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	485435059.00	32699959.00	Nil	518135018.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>485435059.00</b>	<b>32699959.00</b>	<b>-</b>	<b>518135018.00</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition		177458919.00	-	177458919.00
* Reduction	(106301481.00)		-	(106301481.00)
Net Change	(106301481.00)	177458919.00	-	71157438.00
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	379133578.00	210158878.00	Nil	589292456.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>488206834.00</b>	<b>210158878.00</b>	<b>-</b>	<b>589292456.00</b>

# Board's Report and Annexures (Contd.)

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
	Name	NITIN KHARA	ELESH KHARA	(Rs/Lac)
	Designation	Managing Director	Director & CFO	
1	Gross salary			
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	90	60	150.00
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961			-
(c)	Profits in lieu of salary under section 17(3) Income- tax Act, 1961			-
2	Stock Option			-
3	Sweat Equity			-
4	Commission			-
	- as % of profit			-
	- others, specify			-
5	Others, please specify			-
	<b>Total (A)</b>	<b>90</b>	<b>60</b>	<b>150.00</b>
	Ceiling as per the Act			

### B. Remuneration to other Directors: **NIL**

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
					(Rs/Lac)
1	Independent Directors				
	Fee for attending board committee meetings				
	Commission				
	Others, please specify				
	<b>Total (1)</b>	-	-	-	-
2	Other Non-Executive Directors				
	Fee for attending board committee meetings				
	Commission				
	Others, please specify				
	<b>Total (2)</b>	-	-	-	-
	<b>Total (B)=(1+2)</b>	-	-	-	-
	Total Managerial Remuneration				
	Overall Ceiling as per the Act				

# Board's Report and Annexures (Contd.)

## C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sr. No.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount
	Name				(₹/ Lac)
	Designation	CEO	CFO	CS	
1	Gross salary			2.23	2.23
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				-
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961				-
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961				-
2	Stock Option				-
3	Sweat Equity				-
4	Commission				-
	- as % of profit				-
	- others, specify				-
5	Others, please specify				-
	<b>Total</b>	-	-	<b>2.23</b>	<b>2.23</b>

## VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES: (NIL)

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	<b>NIL</b>				
Punishment					
Compounding					



# Board's Report and Annexures (Contd.)

## PARTICULAR OF EMPLOYEES AND RELATED DISCLOSURES & DISCLOSURE UNDER RULE 5 (2) & (3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OR MANAGERIAL PERSONNEL) RULES, 2014

The information required under Section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

**i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year:**

Directors	Designation	Ratio to median remuneration
Mr. Nitin Khara	Managing Director & CEO	
Mr. Elesh Khara	Director & CFO	

No Remuneration was paid to Independent directors during the year under review except sitting fees.

**ii) The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the Financial Year:**

Directors	Designation	Increase in remuneration in the FY-2018-19
Mr. Nitin Khara	Managing Director & CEO	125%
Mr. Elesh Khara	Director & CFO	71.42%

**iii) The percentage increase in the median remuneration of employees in the financial year:**

**iv) the number of Permanent employees on the rolls of the company :** On Contractual basis

**v) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: Nil**

**vi) the key parameters for any variable component of remuneration availed by the directors: Nil**

**vii) Affirmation that the remuneration is as per the remuneration policy of the company:** It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

**Note :** The company had no employee who was employed throughout the year and were in respect remuneration more than 102 Lacs per annum.

# Board's Report and Annexure-Secretarial Audit Report



## Form No. MR-3 SECRETARIAL AUDIT REPORT

### FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2019

(Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,

**THE MEMBERS,**

**CONFIDENCE PETROLEUM INDIA LIMITED**

**CIN- L40200MH1994PLC079766**

**701, SHIVAI PLAZA PREMISES CHS LTD., PLOT NO.**

**79, MAROL IND. ESTATE, NR. MAHALAXMI HOTEL,**

**ANDHERI(E) MUMBAI, MH - 400059, INDIA.**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **CONFIDENCE PETROLEUM INDIA LIMITED** (hereinafter called the Company) Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the **CONFIDENCE PETROLEUM INDIA LIMITED's** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31 March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **CONFIDENCE PETROLEUM INDIA LIMITED** ("the Company") for the financial year ended on 31 March, 2019, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992/2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 & 2018;

## Board's Report and Annexure-Secretarial Audit Report (Contd.)

- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable to the Company during the Audit Period);**
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period);**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and **(Not applicable to the Company during the Audit Period);**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit Period);**
- (vi) Other laws applicable to the Company as given below, I have relied on the compliance system prevailing in the Company and on the basis of representation received from its concerned department:
  - i) Factories Act, 1948
  - ii) Labour laws and rules issued thereunder.
  - iii) The Explosives Rules, 2008
  - iv) Environment laws;
  - v) The Bureau of Indian Standards Act, 1986.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange,
- (iii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that,

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meeting duly recorded and signed by the Chairman, The decisions of the Board were unanimous and no dissenting views have been recorded.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

## Board's Report and Annexure-Secretarial Audit Report (Contd.)

I further report that during the audit period, there were no specific events/ actions in pursuance of the above referred laws, rules, regulations, guidelines, etc, having major bearing on the companies affairs.

We further report that during the audit period, the Company has:-

- i) Passed Special Resolution for Issue of Equity Shares on A Preferential Allotment / Private Placement Basis dated 2 July, 2018
- ii) Passed Special Resolution for Issue of Warrants on Preferential Basis to the Members of Promoters and Non-Promoter dated 2 July, 2018.

Date : 7 August, 2019  
Place: Nagpur

**CS YUGANDHARA KOTHALKAR**  
PRACTICING COMPANY SECRETARY  
MEMB. NO. - 28673 CP. NO. - 10337

# Board's Report and Annexure-Secretarial Audit Report (Contd.)

## 'ANNEXURE A'

To,  
**THE MEMBERS,**  
**CONFIDENCE PETROLEUM INDIA LIMITED**  
**CIN- L40200MH1994PLC079766**  
**701, SHIVAI PLAZA PREMISES CHS LTD., PLOT NO.**  
**79, MAROL IND. ESTATE, NR. MAHALAXMI HOTEL,**  
**ANDHERI(E) MUMBAI, MH - 400059, INDIA**

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Date : 7 August, 2019  
Place: Nagpur

**CS YUGANDHARA KOTHALKAR**  
PRACTICING COMPANY SECRETARY  
MEMB. NO .- 28673 CP. NO. - 10337

# Board's Report and Annexure : CGR

## CORPORATE GOVERNANCE REPORT

### 1. PHILOSOPHY ON CORPORATE GOVERNANCE

Confidence Petroleum India Limited aspires to reach the highest standards of Corporate Governance, while emphasizing on transparency, creating a sustainable culture and setting industry-leading benchmarks. Our philosophy of Corporate Governance is built on a foundation of ethical and transparent business operations. Through this philosophy, the Company fosters a culture, focusing on well-embedded balance between performance and organizational health. This culture inspires trust among all stakeholders and strengthens the Board and management accountability.

The Company has adopted the values of good governance, sustainability and teamwork to create long-term value for its stakeholders. The practice of responsible governance has enabled it to achieve sustainable growth, while meeting the aspirations of its stakeholders and fulfilling societal expectations. Leveraging the principles of integrity, execution excellence, customer orientation and leadership in an ethical manner, the Company continues to take the necessary steps towards growth and to enhance value for its shareholders. The sound governance processes and systems guide the Company on its journey towards continued success.

Your Company ensures adequate, timely and accurate disclosure on all material matters including the financial situation, performance, ownership and governance of the Company to the stock exchanges and the investors. Information is prepared and disclosed in accordance with the prescribed standards of accounting, financial and non-financial disclosure and are disseminated in an equal, timely and cost efficient access to relevant information by users.

### 2. BOARD OF DIRECTORS

The Company recognizes and embraces the importance of a diverse Board in its success and it believes that a truly diverse Board would leverage differences in thought, perspective, knowledge, skill and industry experience, which will enrich Board discussions and enable effective decision making. The Board has an optimal mix of Executive and Non-Executive Directors who have considerable expertise in their respective fields including competencies required in context of Company's businesses. The Board effectively separates the functions of governance and management and balances deliverables.

The composition and size of the Board is reviewed periodically to ensure that the Board is a wholesome blend of Directors with complementary skill-sets. The Board periodically evaluates the need for change in its size and composition.

The Board of your Company has a good mix of Executive and Non-Executive/ Independent Directors with more than half of the Board of the Company comprising Independent Directors. As on 31 March, 2019, the Board comprises of 6 (Six) Directors, in which 2 (two) are Executive Directors & 4 (Four) Independent Directors including one Woman Independent Director. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations and Section 149 of the Companies Act, 2013 (Act).

Name	Designation
<b>Nitin Punamchand Khara</b>	Chairman , Managing Director, CEO
<b>Elesh Punamchand Khara</b>	CFO, Director (Executive)
<b>Sumant Jayantilal Sutaria</b>	Director – Independent (Non-Executive)
<b>Mansi Manoj Deogirkar</b>	Woman Director - Independent (Non-Executive)
<b>Vaibhav Pradeep Dedhia</b>	Director – Independent (Non-Executive)
<b>Supratim Subimal Basu</b>	Director – Independent (Non-Executive)

## Board's Report and Annexure : CGR (Contd.)

Category of Directors	Number of Directors	Percentage
<b>Executive Directors (including Managing Director)</b>	2	33.33%
<b>Independent (Non-Executive)</b>	4	66.67%

- b.** The number of Directorships, Committee memberships/ chairmanships of all the Directors is within the respective limits prescribed under the Act and SEBI Listing Regulations. Necessary disclosures regarding Board and Committee positions in other public companies as on 31 March, 2019 have been made by all the Directors of the Company.
- c.** Every Independent Director, at the first meeting of the Board in which he/ she participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration under Section 149(7) of the Act that he/ she meets the criteria of independence as required under Section 149(6) of the Act.
- d.** All Independent Directors have confirmed that they meet the "independence" criteria as mentioned under regulation 16(1)(b) of the SEBI Listing Regulations and Section 149 of the Act. In addition, they maintain their limits of Directorships as required under SEBI Listing Regulations.
- e.** The names and categories of the Directors on the Board, their attendance at Board meetings held during the year and at the last Annual General Meeting (AGM) and the number of directorships and committee chairmanships/ memberships held by them in other public companies as on 31 March, 2019 are given herein below. Other directorships do not include directorships of private limited companies, Section 8 companies and companies incorporated outside India. Chairmanships/ memberships of Board committees shall include only Audit Committee and Stakeholder's Relationship Committee.

Name of Directors	Category Executive/ Non-Executive/ Independent Director	Meeting During the year 2018-19		Last AGM Attended Yes/No	Directorship in other Public Companies	No. of other Board Committee of which Member/ Chairman	No. of Shares Held
		Held	Attended				
Mr. Nitin Khara DIN: 01670977	Promoter & Executive	12	11	YES	5	3	23532987
Mr. Elesh Khara DIN: 01765620	Promoter & Executive	12	11	YES	5	3	9621251
Mr. Sumant Sutaria DIN: 00298428	Non-Executive, Independent Director	12	8	YES	0	2	9380
Supratim Subimal Basu DIN : 01910081 (Appointed on 25/07/2018)	Non-Executive, Independent Director	9	6	NO	0	-	20000
Mrs. Mansi Deogirkar DIN: 07269038	Non-Executive, Independent Director	12	11	NO	0	3	0
Mr. Vaibhav Pradeep Dedhia DIN:08068912	Non-Executive, Independent Director	12	12	NO	1	4	0

# Board's Report and Annexure : CGR (Contd.)

Relationship between Directors inter-se		
Sr. No	Executive Director	Relationship with Other Director
01	Mr. Nitin Khara	Brother of Mr. Elesh Khara
02	Mr. Elesh Khara	Brother of Mr. Nitin Khara

- f. None of the Directors on the Board is a member of more than ten committees or Chairman of more than Seven committees across all the Companies in which he/ she is a director.
- g. None of the Independent Directors on the Board are serving as the Independent Director in more than Three listed entities.
- h. 12 (Twelve) Board Meetings were held during the year and the gap between two meetings did not exceed one hundred and twenty days.

The Board of Directors duly met 12 (Twelve) times during the financial year 2018-19:

April-June-2018	July-September-2018	October-Decemebr-2018	January-March-2019
29/05/2018	25/07/2018	14/11/2018	22/01/2019
05/06/2018	07/08/2018	29/11/2018	12/02/2019
-	31/08/2018	-	27/02/2019
-	-	-	14/03/2019
-	-	-	30/03/2019

### 3. MEETINGS OF INDEPENDENT DIRECTORS

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on 22 January, 2019 to;

- Review the performance of non-independent directors and the Board as a whole;
- Review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors.
- Assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Terms and conditions of Appointment: As required under Regulation 46(2)(b) of the Listing Regulations, the Company has issued formal letters of appointment to the Independent Directors. The terms & conditions of their appointment are posted on the Company's website and can be accessed

#### Familiarization Program of Independent Directors

The Company conducts Familiarization Programme for Independent Directors to enable them to understand their roles, rights and responsibilities. Presentations are also made at the Board meetings which facilitates them to clearly understand the business of the Company and the environment in which the Company operates. They are also provided a platform to interact with multiple levels of management and are provided with all the documents required and/or sought by them to have a good understanding of Company's operations, businesses and the industry as a whole. Further, they are periodically updated on material changes in regulatory framework and its impact on the Company.

Moreover, when new Director(s) are inducted on the Board, an information pack is handed over to them which includes, Company profile, Company's Codes and Policies, Strategy and such other operational information which will enable them to understand

## Board's Report and Annexure : CGR (Contd.)

the Company and its business(es) in a better way. The Company also arranges for visits to the Company's Plants and other establishments to enable them to get first-hand information and also interact with the stakeholders at ground level.

The details of such familiarization programmes for Independent Director(s) are put up on the website of the Company.

### BOARD COMMITTEES:

#### ● AUDIT COMMITTEE:

Audit Committee of the Board has been constituted as per Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. The Company Secretary of the Company acts as Secretary to the Committee. The Audit Committee acts as a link between the statutory and internal auditors and the Board of Directors. The Audit Committee assists the Board in its responsibility for overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements.

The Committee's purpose is to oversee the accounting and financial reporting process of the Company, the audits of the Company's financial statements, the appointment, independence and performance of the statutory auditors and the internal auditors.

#### The Broad terms of reference of Audit Committee are:

- a) Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- b) Reviewing with the management the financial statements and auditor's report thereon before submission to the Board, focusing primarily on:
  1. Matters to be included in the Directors Responsibility Statement to be included in the Board's report in terms of Clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
  2. Changes to any accounting policies and practices.
  3. Major accounting entries based on the exercise of judgement by Management.
  4. Significant adjustments if any, arising out of audit findings.
  5. Compliance with respect to accounting standards, listing agreements and legal.
  6. Requirements concerning financial statements.
  7. Disclosure of any related party transactions.
  8. Modified opinion(s) in the draft audit report.
- c) Re-recommending to the Board, the appointment, re-appointment, remuneration and terms of appointment of Auditors of the Company.
- d) To review reports of the Management Auditors and Internal Auditors and discussion on any significant findings and follow up there on.
- e) Reviewing with the management, external and internal auditors, the adequacy of internal control systems and the Company's statement on the same prior to endorsement by the Board.
- f) Evaluation of the internal financial controls and risk management systems.
- g) To review the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

# Board's Report and Annexure : CGR (Contd.)

- h) To approve transactions of the Company with related parties and subsequent modifications of the transactions with related parties.
- i) In addition, the powers and role of Audit Committee are as laid down under Regulation 18(3) and Part C of Schedule II of the SEBI (LODR) Regulations and Section 177 of the Companies Act, 2013.

The Audit Committee considers the matters which are specifically referred to it by the Board of Directors besides considering the mandatory requirements of the Regulation 18 read with Part C of Schedule II of SEBI Listing Regulations and provisions of Section 177 of the Act.

## Composition

The Audit Committee is constituted in accordance with Regulation 18 of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013 comprising of:

Sr. No	Name of Member	Designation
1.	Mr. Vaibhav Dedhia	Chairperson, Non-Executive - Independent Director
2.	Mr. Elesh Khara	Member, Executive Director
3.	Mr. Sumant Sutaria	Member, Non-Executive - Independent Director

The Company Secretary, of the Company acts as the Secretary to the Audit Committee.

**The Committee met 4 (Four) times during the year 2018-19 and the details of meetings attended by the members are given below:**

April-June-2018	July-September-2018	October-Decemebr-2018	January-March-2019
29/05/2018	07/08/2018	14/11/2018	22/01/2019

Name of the Directors	Meetings Attended
Mr. Vaibhav Dedhia	4
Mr. Elesh Khara	4
Mr. Sumant Sutaria	4

## ● NOMINATION & REMUNERATION COMMITTEE

The Company has a Nomination and Remuneration Committee constituted pursuant to the provisions of Regulations 19 read with Part D of Schedule II of the SEBI Listing Regulations and Section 178 of the Act.

As per the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, the Nomination and Remuneration Committee of the Company acts as the Compensation Committee for administration of AL ESOP Scheme 2016.

The Nomination & Remuneration Committee's constitution and terms of reference are in compliance with the provisions of the Companies Act, 2013 and Regulation 19 and Part D of the Schedule II of the SEBI (LODR) Regulations.

**The terms of reference of the Committee inter alia, include the following:**

- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and carry out evaluation of every director's performance.
- Formulating criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.
- Formulating criteria for evaluation of Independent Directors and the Board.
- Devising a policy on Board diversity.

## Board's Report and Annexure : CGR (Contd.)

- Whether to extend or continue the term of appointment of independent director on the basis of the report of performance evaluation of Independent Directors.
- Recommend to the Board, all remuneration, in whatever form, payable to Senior Management.

### Composition

The composition of the Nomination & Remuneration Committee and the details of meetings attended by its members are given below:

Sr. No	Name of Member	Designation
1.	Mr. Sumant Sutaria	Chairperson, Non-Executive - Independent Director
2.	Mrs. Mansi Deogirkar	Member, Non-Executive - Independent Director
3.	Mr. Vaibhav Dedhia	Member, Non-Executive - Independent Director

### The Committee met 4 (Four) times during the year 2018-19:

April-June-2018	July-September-2018	October-Decemebr-2018	January-March-2019
29/05/2018	07/08/2018	14/11/2018	22/01/2019

Name of the Directors	Meetings Attended
Mr. Sumant Sutaria	3
Mrs. Mansi Deogirkar	4
Mr. Vaibhav Dedhia	4

### Details of the remuneration paid to the Executive Directors for the year 2018-19 are given below:

- a) Remuneration payable to Executive Directors were considered and approved by the Remuneration Committee as follows:

Particulars	Mr. Nitin Khara	Mr. Elesh Khara
(1)		
Salary & Perquisites	9000000	6000000
Provident Fund	Nil	Nil
Superannuation Fund	Nil	Nil
Commission	Nil	Nil

- b) None of the Non-Executive Directors have been paid compensation neither the independent Directors were paid sitting fees and commission during the year under review. The Company does not have any stock option scheme provided to Directors or Officers of the Company.

### ● STAKEHOLDER'S RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee's constitution and terms of reference are in compliance with provisions of the Companies Act, 2013 and Regulation 20 and Part D (B) of Schedule VI of the SEBI (LODR) Regulations.

#### Terms of Reference:

The Committee considers and resolves the grievances of the security holders. The Committee also reviews the manner and timelines of dealing with complaint letters received from Stock Exchanges/ SEBI/ Ministry of Corporate Affairs etc. and the responses thereto. Based on the delegated powers of the Board of Directors, CEO & MD and CFO approves the share transfers/ transmissions on a regular basis and the same is reported at the next meeting of the Committee, normally held every quarter.

## Board's Report and Annexure : CGR (Contd.)

The role of the Committee shall inter-alia include the following:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the Company.
- To consider and approve the issue of share certificates (including issue of renewed or duplicate share certificates), transfer and transmission of shares etc.
- The committee oversees performance and report of the Registrars and Transfer Agents of the Company (M/s. Adroit Corporate Private Limited) regarding number of various types of complaint requests received, handled and balances; if any and recommends measures for overall improvement in the quality of investor services. The committee also monitors implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading in pursuance of SEBI (Prohibition of Insider Trading) Regulations, 2015.

The composition of the Stakeholder's Relationship Committee and the details of meetings attended by its members are given below:

Sr. No.	Name of Member	Designation
1.	Mr. Vaibhav Dedhia	Chairperson, Non-Executive - Independent Director
2.	Mrs. Mansi Deogirkar	Member, Non-Executive - Independent Director
3.	Mr. Nitin Khara	Member, Executive Director

Company Secretary of the Company is the Secretary to the Committee.

### The Committee met 7 (Seven) times during the year 2018-19:

April-June-2018	July-September-2018	October-Decemebr-2018	January-March-2019
29/05/2018	07/08/2018	14/11/2018	22/01/2019
-	20/09/2018	02/12/2018	30/03/2019

During the financial period, the Company received 4 complaints. The complaints received during the year were resolved. The Company does not have any complaints, not attended at the closure of the year under review.

Name of the Directors	Meetings Attended
Mrs. Mansi Deogirkar	7
Mr. Nitin Khara	6
Mr. Vaibhav Dedhia	7

# Board's Report and Annexure : CGR (Contd.)

## ● MANAGEMENT COMMITTEE

The Management committee has been constituted by the Board of Directors of the Company to ensure guidance and to handle day to day operations and to smoothen the functioning of the Company.

The composition of the Management Committee and the details of meetings attended by its members are given below:

Sr. No.	Name of Member	Designation
1.	Mr. Nitin Khara	Chairperson, Executive Director
2.	Mr. Elesh Khara	Member, Executive Director
3.	Mr. Vaibhav Dedhia (From 14/02/2018)	Member, Non-Executive - Independent Director

### Meetings Held:

April-June-2018	July-September-2018	October-Decemebr-2018	January-March-2019
06/04/2018	27/08/2018	14/11/2018	12/01/2019
17/05/2018	07/09/2018	19/11/2018	12/02/2019
18/05/2018	17/09/2018	19/12/2018	15/03/2019

Name of the Directors	Meetings Attended
Mr. NitinKhara	12
Mr. Elesh Khara	11
Mr. Vaibhav Dedhia	12

## CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company has constituted a Corporate Social Responsibility (CSR) Committee pursuant to the provisions of Section 135 of the Act read with Companies (Corporate Social Responsibility) Rules, 2014.

This Committee was constituted to strengthen and monitor CSR policy of the Company. Further, CSR Committee of the Board meets the criteria prescribed by Section 135 of the Companies Act, 2013, which states that every CSR Committee of the Board shall be consisting of three or more directors, out of which at least one director shall be an Independent Director.

### Terms of reference of the Committee

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy (CSR Policy), which shall indicate a list of CSR projects or programs which a Company plans to undertake falling within the purview of the Schedule VII of the Companies Act, 2013, as may be amended.
- To recommend the amount of expenditure to be incurred on each of the activities to be undertaken by the Company, while ensuring that it does not include any expenditure on an item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Companies Act, 2013.
- To approve the Annual Report on CSR activities to be included in the Director's Report forming part of the Company's Annual Report and Attribute reasons for short comings in incurring expenditures.
- To monitor the CSR policy of the Company from time to time; and
- To institute a transparent monitoring mechanism for implementation of the CSR Projects or programs or activities undertaken by the Company.

# Board's Report and Annexure : CGR (Contd.)

The composition of the Corporate Social Responsibility Committee and the details of meetings attended by its members are given below:

Sr. No.	Name of Member	Designation
1.	Mr. Nitin Khara	Chairperson, Executive Director
2.	Mr. Elesh Khara	Member, Executive Director
3.	Mrs. Mansi Deogirkar	Member, Non-Executive - Independent Director

Company Secretary of the Company is the Secretary to the Committee.

**The Committee met (1) Once during the year 2018-19:** 14/03/2019

The CSR Report as required under the Act for the year ended 31 March, 2019 is attached as Annexure I to the Board's Report.

## RISK MANAGEMENT

Your Company has a well-defined risk management framework in place. Further, your Company has established procedures to periodically place before the Board, the risk assessment and minimization procedures being followed by the Company and steps taken by it to mitigate these risks.

We have included a separate section on Risk Management under Management Discussion and Analysis (MDA) Report.

## GENERAL BODY MEETINGS:

### DATE & VENUE OF PREVIOUS GENERAL MEETINGS

Year	Date & Time	Venue
2017-18	28th of September 2018 At 01.00 PM	Gala No. 11-12, First Floor, Sita Estate, Vashi Naka, Mahul Road, Next to RCF Police Station, Chembur, Mumbai-400074.
2016-17	29th of September, 2017 At 01.00 PM	First Floor, Sita Estate, Vashi Naka, Mahul Road, Next to RCF Police Station, Chembur, Mumbai-400074.
2015-16	30th of September, 2016 At 12.00 PM	First Floor, Sita Estate, Vashi Naka, Mahul Road, Next to RCF Police Station, Chembur, Mumbai-400074.
2014-15	30th of September, 2015 At 2.30 PM	First Floor, Sita Estate, Vashi Naka, Mahul Road, Next to RCF Police Station, Chembur, Mumbai-400074.

Whether Special resolutions were put through Postal Ballot last year? : NO

Are Special resolutions proposed to be put through Postal Ballot this Year : NO

During the year under review, One Extraordinary General Meeting of the members of the Company on 02nd July, 2018 was convened.

## DISCLOSURE

- i) **Related Party Transactions:** All transactions entered into with Related Parties as defined under the Companies Act, 2013, Regulation 23 of the SEBI (LODR) Regulations during the financial year were in the ordinary course of business and on arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosures as required by the Indian Accounting Standard (Ind AS 24) have been made in the notes to the Financial Statements. The Board approved policy for related party transactions is available on the Company's website. The transactions entered into with the related parties during the financial year were in the ordinary course of business and at arm's length basis and were approved by the Audit Committee.

## Board's Report and Annexure : CGR (Contd.)

- ii) Details of non-compliance by the Company, penalties, strictures imposed on the Company by the stock exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three financial years 2016-17, 2017-18 and 2018-19 respectively: NIL
- iii) **Whistle Blower Policy:** The Whistle Blower Policy/ Vigil Mechanism has been formulated by the Company with a view to provide a mechanism for directors and employees of the Company to approach the Chairman of the Audit Committee of the Board to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Code of Conduct or ethics policy or any other unethical or improper activity including misuse or improper use of accounting policies and procedures resulting in misrepresentation of accounts and financial statements and incidents of leak or suspected leak of unpublished price sensitive information. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations and in order to maintain these standards, the Company encourages its employees who have genuine concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment.  
  
The Whistle Blower Policy/ Vigil Mechanism also provides safeguards against victimization or unfair treatment of the employees who avail of the mechanism. The Company affirms that no personnel have been denied access to the Audit Committee. The Whistle Blower Policy/Vigil Mechanism adopted by the Company in line with Section 177 of the Companies Act, 2013 and Regulation 22 of the Securities Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations 2015, which is a mandatory requirement, has been posted on the Company's website.
- iv) The Company has complied with all applicable mandatory requirements in terms of SEBI Listing Regulations. A report on the compliances on the applicable laws for the Company is placed before the Board on a quarterly basis for its review and consideration.
- v) **Dividend Distribution Policy:** Your Company has formulated a policy on dividend distribution with a view to inform the shareholders about how it aims to utilize extra profits and the parameters that shall be adopted with regard to the shares. The Policy imbibing the above parameters as per the provisions of SEBI Listing Regulations has been hosted in the Company's website.
- vi) **Reconciliation of Share Capital Audit:** As per Regulation 55A of SEBI (Depositories & Participants) Regulations, 1996, a qualified practicing Company Secretary M/s. Siddharth Sipani and Associates, Company Secretaries, has carried out reconciliation of share capital audit of every quarter to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued/ paid up capital is in agreement with the aggregate total number of shares in physical form, shares allotted and advised for demat credit but pending execution and the total number of dematerialized shares held with NSDL and CDSL.
- vii) **Disclosure of Accounting Treatment:** Your Company has not adopted any alternative accounting treatment prescribed differently from the IND AS.
- viii) **Non-Executive Director's compensation and disclosures:** The Nomination and Remuneration Committee recommends all fees/ compensation paid to the Non-Executive Directors (including Independent Directors) and thereafter fixed by the Board and approved by the shareholders in the General Meeting, if required. The remuneration paid/ payable to the Non-Executive Directors is within the limits prescribed under the Act.
- ix) **Code of Conduct:** The Board of Directors has laid down a code of conduct for all Board members and senior management of the Company. All Directors and Senior Management Personnel have affirmed compliance with the code of conduct as approved and adopted by the Board of Directors of the Company.

## Board's Report and Annexure : CGR (Contd.)

- x) **Code of Conduct for Prohibition of Insider Trading :** Your Company has adopted a Code of Conduct as per Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. All Directors, Designated Employees who could have accessed to the Unpublished Price Sensitive Information of the Company are governed by the Code. During the year under review, there has been due compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015.
- xi) **Subsidiary Companies:** All the Subsidiary Companies of the Company are Board managed with their Boards having the rights and obligations to manage such companies in the best interest of their stakeholders. As a majority shareholder, the Company nominates its representatives on the Boards of subsidiary companies and monitors the performance of such companies, inter alia, by the following means:
- The financial statements along with the investments made by the unlisted subsidiaries are placed before the Audit Committee and the Company's Board, quarterly.
  - A copy of the Minutes of the Meetings of the Board of Directors of the Company's subsidiaries along with Exception Reports and quarterly Compliance Certificates issued by CEO/CFO/CS are tabled before the Company's Board, quarterly.
  - A summary of the Minutes of the Meetings of the Board of Directors of the Company's subsidiaries are circulated to the Company's Board, quarterly.
  - A statement containing all significant transactions and arrangements entered into by the subsidiary companies is placed before the Company's Board.

### MEANS OF COMMUNICATION

- i) **QUARTERLY RESULTS:** All financial and other vital official news are also communicated to the concerned stock exchanges and are posted on the website of the Company.
- ii) **PRESENTATIONS TO INSTITUTIONAL INVESTORS OR ANALYSTS:** During the FY 2018-19, presentations made to institutional investors or analysts by CONFIDENCE PETROLEUM INDIA LIMITED are displayed on the Company's website.
- iii) **COMPANY'S CORPORATE WEBSITE:** The Company's website is a comprehensive reference on Confidence's management, vision, mission, policies, corporate governance, corporate sustainability, investor relations etc. The section on investor relations serves to inform the shareholders, by giving complete financial details, shareholding patterns, corporate benefits, information relating to stock exchanges, Registrars and Share Transfer Agents.
- iv) **ANNUAL REPORT:** Annual Report containing, inter alia, Audited Annual Accounts, Consolidated Financial Statements, Director's Report, Auditor's Report and other important information is circulated to members and others entitled thereto. The Management Discussion and Analysis (MD&A) Report forms part of the Annual Report and is displayed on the Company's website.
- v) **DESIGNATED EXCLUSIVE EMAIL-ID FOR INVESTOR SERVICES:** The Company has designated the following email-id exclusively for investor servicing:-  
[cs@confidencegroup.co](mailto:cs@confidencegroup.co)
- vi) **BSE CORPORATE COMPLIANCE & LISTING CENTRE (THE 'LISTINGCENTRE'):** BSE's Listing Centre is a web-based application designed for Corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

## Board's Report and Annexure : CGR (Contd.)

**vii) SEBI COMPLAINTS REDRESS SYSTEM (SCORES):** The investor complaints are processed in a centralized web-based complaints redress system. The salient features of this system are: Centralized database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

### REGISTRAR AND TRANSFER AGENT

The Company is availing the services of Registrar and Share Transfer Agent from **M/s. Adroit Corporate Services Private Limited** 17-20, Jafferbhoy Ind. Estate, 1st Floor, Makwana Road, Marol Naka, Andheri (E), Mumbai 400059, India Tel: +91 (0) 22 42270400|Direct: +91 (0)22 42270423 | Fax: +91 (0)22 28503748.

**DATE OF BOOK CLOSURE: 24/09/2019 to 30/09/2019 (both days inclusive).**

### SHARE TRANSFER SYSTEM

Share Transfers are processed and share certificates returned within a period of 21 days from the date of receipt subject to the documents being valid and complete in all respects. The Board has delegated the authority for approving, transfer and transmission etc. of the Company's securities to the Managing Director and/or Compliance Officer. The half yearly certificate of compliance with the share transfer formalities as required under clause 47 (c) of the Listing Agreement with Stock Exchange and files a copy of the certificate with the Stock Exchange.

### LISTING OF SECURITIES

Name of the Stock Exchanges

#### 1. Bombay Stock Exchange,

Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai - 400001  
ISIN- INE55S2D01024

#### 2. National Stock Exchange of India Limited (W.E.F. 13/06/2019)

Exchange Plaza, Bandra Kurla Complex,  
Bandra (E) Mumbai-400051

### SHAREHOLDING PATTERN AS ON 31 MARCH, 2019:

Sr. No.	Category of Shareholder	No. of Shares held	% of Shareholding
<b>(A)</b>	<b>Promoter &amp; Promoter Group</b>		
	Indian	142788213	52.14
	Foreign		
<b>(B)</b>	<b>Public</b>	131046787	47.86
1.	Institutions:	16367122	5.98
	Foreign Institutional Investors (FIIs)		
2.	Non-Institutions:		
	Body Corporate	19685073	7.19
	Individuals	92940381	33.94
	Clearing Members	361981	0.13
	Non-Residents (NRI)	1648631	0.60
	Other	43599	0.02
	<b>GRAND TOTAL</b>	<b>273835000</b>	<b>100</b>

# Board's Report and Annexure : CGR (Contd.)

## DISTRIBUTION OF SHAREHOLDING AS ON 31 MARCH, 2019

Shares Slab	Shareholders	% of Holders	Total Shares	Amount (₹)	%
Upto - 100	7260	27.70	395727	395727	0.14
101 - 500	7928	30.24	2549816	2549816	0.93
501 - 1000	3629	13.84	3227770	3227770	1.18
1001 - 2000	2161	8.24	3562546	3562546	1.30
2001 - 3000	1537	5.86	4258155	4258155	1.56
3001 - 4000	747	2.85	2842325	2842325	1.04
4001 - 5000	703	2.68	3403070	3403070	1.24
5001 - 10000	1021	3.89	7878546	7878546	2.88
10001 - 20000	520	1.98	7759609	7759609	2.83
20001 - 50000	412	1.57	13058628	13058628	4.77
50001 & Above	302	1.15	224898808	224898808	82.13
<b>TOTAL</b>	<b>26220</b>	<b>100</b>	<b>273835000</b>	<b>273835000</b>	<b>100</b>

### SHAREHOLDERS AND INVESTORS CORRESPONDENCE:

Shareholders should address their correspondence to the Company's Registrar and Transfer Agent at the following address:

#### ADROIT CORPORATE SERVICES PVT.LTD.

17-20, Jafferbhoy Ind. Estate, 1st Floor, Makwana Road,

Marol Naka, Andheri (E), Mumbai 400059, India.

Tel: +91 (0) 22 42270400 | Direct: +91 (0) 22 42270423 | Fax: +91 (0) 22 28503748.

### STOCK MARKET PRICE FOR THE FY 2018-19:

#### FACE VALUE PER EQUITY SHARE : - ₹ 1/-

MONTH	HIGH PRICE	LOW PRICE	CLOSE PRICE
APR-18	47.75	29.85	47.15
MAY-18	51.95	40.5	50.7
JUN-18	51.35	44.1	48.35
JUL-18	56.5	48.4	50.55
AUG-18	57	46	47.2
SEP-18	48	38.1	38.3
OCT-18	38.85	28.5	34.5
NOV-18	38.9	34	35.3
DEC-18	38.3	33	38.05
JAN-19	47.9	36.75	40.5
FEB-19	42.85	36.15	40.35
MAR-19	42.9	36.7	38.8

# Board's Report and Annexure : CGR (Contd.)

## DETAILS OF SHARES

Mode	No. of Shares	% of Total Capital
Demat/ Electronic		
- in CDSL	131285445	47.94%
- in NSDL	133455888	48.74%
Physical	9093667	03.32%
<b>Total No. of shares</b>	<b>273835000</b>	<b>100.00%</b>

## WORKS

1. Khasra No. 428, Village Gajangarh, Dist : Pali, Rajasthan.
2. Arazi No. 120, Gulab Nagar, Village Kheroda Dist. Udaipur, Rajasthan.
3. Village Paud, P. O. Majgaon, Rasayani, Taluka Khalapur, Dist. Raigad Maharashtra-410207 (Cylinder Manuf. unit-I).
4. Village Paud, P. O. Majgaon, Rasayani, TalukaKhalapur, Dist. Raigad Maharashtra-410207 (Cylinder Manuf. unit-II).
5. Village Paud, P. O. Majgaon, Rasayani, TalukaKhalapur, Dist. Raigad Maharashtra-410207(LPG Bottling unit-I).
6. Village Paud, P. O. Majgaon, Rasayani, TalukaKhalapur, Dist. Raigad Maharashtra-410207(LPG Bottling unit-II).
7. Village Kinathkuda, TalukaPollachi, Arsapalyam. Dist, Coimbatore, State : Tamilnadu
8. Khasra No. 152/154, bhagwanpur, Tah. Roorkee, Haridwar, State – Uttrakhand– 262401.
9. Khasra No. 96 & 386/2, KhunaJhirikhurd, Dist. Chhindwara, Madhya Pradesh.
10. Khasra No. 10/8784/17, Village BhatarkiSarai, NH – 76, Village TalukaVallabh Nagar, Udaipur, Rajasthan.
11. Kh No. 19411, Halka No. 67Jabalpur – Bhopal Road, Tal. Sahapur, Kiszoodh, Jabalpur (M.P.)
12. Survey No. 235 to 239, Bannakheda Road, Village Vikrampur, Bazpur, Udham Singh Nagar, Uttarkhand.
13. Survey no. 338, Post Noorpura, Village & TalukaHalol, Panchmahal, Gujarat.
14. Survey No 139 (Part) 7 123 (Part) of Janguluru, Revenue Village, Achutapuram Mandal, Vishakhapatnam (A.P).
15. Gate No. 637, Dindori, Nashik, Maharashtra.
16. Near Railway Station, Post Kalmeshwar, Dist. Nagpur.
17. Khasra No. 60 & 61, 32 KM Milestone, Nagpur-Saoner Road, Gram Burujwada, Tah. Saoner, Nagpur.
18. Village Sammna, Tah. Damoh, Dist. Damoh, Madhya Pradesh.
19. Gata-217, 215 Mouzza Puramana, Kirawali, Agra.
20. Sy. No. 57 Village Bapana, Taluka Vasai, Dist Thane, Maharashtra.
21. J-67, Addl. MIDC Kundwali Village, Murbad, Dist- Thane, Maharashtra – 420401.
22. Dag no. 3666, 3667 3669, 3673 and 3674 at Rawasiya Complex Ranihatiamta Road, Mauza Ismalpur P. S Jjagat Ballavpur, Dist. Howrah, West Bengal.
23. Khata No 373, Sy No. 349/1 349/2, Khata No 373, Sy No. 349/1 349/2, Kankot, Wakaner, Morbi, (GJ)
24. Kh2437/2, Sold Area – 0.452 Hect At VillMagrayar, Parg- Margrayar, Teh- Bighapur, Unnao, Uttarpradesh.
25. Revenue Survey No. 349/1 & 349/2 paikie of Village : Kankot of Sub District : Wankaner of Registration District : Morbi, Gujarat.
26. AT Dadwa Randal A/c No. 655 ₹ No. 165P HP 1-13-34 Dist Amreli, Gujarat.
27. Moje Moraj ₹ No. 167/3 Area – 1-33-55 Tarapur, Anand, Gujarat.

# Board's Report and Annexure : CGR (Contd.)

## AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members,

**Confidence Petroleum India Limited**

1. We have examined the compliance of conditions of corporate governance by Confidence Petroleum India Limited ('the Company'), for the year ended on 31 March, 2019 as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. The compliance of conditions of corporate governance is the responsibility of the management. Our 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.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.
4. We 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 **Ganesh Adukia & Associates**

Chartered Accountants  
FRN NO. 142238W

**Ganesh Adukia**

Proprietor  
M. No.169737

Place : Nagpur

Dated: 20 May, 2019

For **Akhil Rathi & Co.**

Chartered Accountants  
FRN NO.136954W

**Akhil Rathi**

Proprietor  
M. No. 154788



# Board's Report and Annexure : CGR (Contd.)

## CERTIFICATE OF THE MANAGING DIRECTOR, CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER Under Schedule II [Regulation 17(8)] of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

To,  
The Board of Directors,  
**Confidence Petroleum India Limited**  
**Nagpur**

Dear Sirs,

We, **Nitin Khara** – Managing Director & Chief Executive Officer and **Elesh Khara** – Director and Chief Financial Officer of Confidence Petroleum India Limited, to the best of our knowledge, information and belief, certify that

- A. We have reviewed the financial statements and the cash flow statement for the year 2018-19:
- (1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) 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 accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of the internal control, if any, of which we are aware of 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 –
- (1) There are no significant changes in internal control over financial reporting during the year;
  - (2) There are no changes in accounting policies during the year requiring disclosure in the notes to financial statements; and
  - (3) There are no instances of significant fraud in the Company's internal control system over financial reporting.

Sd/-  
**Nitin Khara**  
Managing Director and Chief Executive Officer

Sd/-  
**Elesh Khara**  
Director and Chief Financial Officer

Place: Nagpur  
Date: 20/05/2019

# Board's Report and Annexure : CGR (Contd.)

## PRACTISING COMPANY SECRETARIES' CERTIFICATE ON DIRECTOR'S NON-DISQUALIFICATION

### PRACTISING COMPANY SECRETARIES' CERTIFICATE ON DIRECTOR'S NON-DISQUALIFICATION TO THE MEMBERS OF CONFIDENCE PETROLEUM INDIA LIMITED

This certificate is issued pursuant to clause 10 (i) of the Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended vide circular dated 9 May, 2018 of the Securities Exchange Board of India.

We have examined the compliance of provisions of the aforesaid clause 10 (i) of the Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and to the best of our information and according to the explanations given to us by the Company, and the declarations made by the Directors, we certify that none of the directors of Confidence Petroleum India Limited ("the Company") CIN L40200MH1994PLC079766 having its registered office at 701, Shivai Plaza Premises CHS Ltd., Plot No. 79, Marol Ind. Estate, Nr. Mahalaxmi Hotel, Andheri(E) Mumbai, MH – 400059, India have been debarred or disqualified as on 31 March, 2019 from being appointed or continuing as directors of the Company by SEBI/ Ministry of Corporate Affairs or any other statutory authority.

**For Siddharth Sipani & Associates**

Practising Company Secretaries

**Siddharth Sipani**

ACS : 28650 CP : 11193

Place : Nagpur,

Date : 20/05/2019

## DECLARATION BY MANAGING DIRECTOR

### DECLARATION BY THE MANAGING DIRECTOR UNDER THE LISTING AGREEMENT REGARDING COMPLIANCE WITH CODE OF CONDUCT

In accordance with Regulation 34(3) read with Schedule V (D) of SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015 I hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the financial year ended 31 March, 2019.

SD/-

**Nitin Khara**

Managing Director and Chief Executive Officer

DIN : 01670977

Place: Nagpur

Date : 20/05/2019

# Independent Auditors Report



To,  
The Members of,

## **CONFIDENCE PETROLEUM INDIA LIMITED**

### **REPORT ON THE FINANCIAL STATEMENTS**

1. We have audited the accompanying financial statements of Confidence Petroleum India Limited ('the Company'), which comprises Balance Sheet as at 31st Mar 2019, the Statement of Profit and Loss account and cash flow statement for the year then ended, and a Summary of significant accounting policies and other explanatory information.

### **MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making Judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and Completeness of the accounting records, relevant to the preparation and presentation of the financial Statements that give a true and fair view and are free from materials misstatement, whether due to fraud or error.

### **AUDITOR'S RESPONSIBILITY**

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provision of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under and the order under section 143(11) of the Act.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedure selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessment, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the standalone financial statements.

### **OPINION**

4. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31-Mar-2019, and its Profit for the year ended on that date.

**INDEPENDENT AUDITORS REPORT (Contd.)****REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

5. As required by the Companies (Auditor's Report) Order, 2019 (the Order) issued by the Central Government in terms of Section 143 (11) of the Act, we enclosed in the annexure a statement on matters specified in paragraph 3 & 4 of the said order.
6. As required by Section 143 (3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet and the Statement of Profit and Loss and Cash Flow with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) With respect to the adequacy of the Internal Financial Controls over financial reporting of the Company and operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- f) On the basis of the written representations received from the directors as on 31st Mar 2019 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st Mar 2019 from being appointed as a directors in terms of section 164(2) of the Act.
  - g) Report on the Internal Financial Controls under Clause (1) of Sub-section 3 of section 143 of the companies Act, 2013 ("the Act")- is enclosed an annexure to this report.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. As informed to us the Company does not have any pending litigations which would impact its financial position
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
7. As required by the Companies (Auditors Report) Order, 2019 ("the Order) issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Ganesh Adukia & Associates**  
Chartered Accountants  
FRN NO. 142238W

**Ganesh Adukia**  
Proprietor  
M. No.169737  
Nagpur, Dated: 20 May, 2019

For **Akhil Rathi & Co.**  
Chartered Accountants  
FRN NO.136954W

**Akhil Rathi**  
Proprietor  
M. No. 154788

## **Annexure A To the Independent Auditor's Report of Even Date on the Standalone Financial Statements of Confidence Petroleum India Limited**



### **REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")**

We have audited the internal financial controls over financial reporting of M/s Confidence Petroleum India Limited as of 31-Mar-2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### **MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

The Company's management is responsible for establishing and maintaining internal financial controls. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **AUDITORS' RESPONSIBILITY**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls

over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence I/we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### **MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

### **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls,

## **Annexure A** To the Independent Auditor's Report of Even Date on the Standalone Financial Statements of Confidence Petroleum India Limited (Contd.)

material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate

### **OPINION**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31-Mar-2019.

For **Ganesh Adukia & Associates**  
Chartered Accountants  
FRN NO. 142238W

**Ganesh Adukia**  
Proprietor  
M. No.169737  
Nagpur, Dated: 20 May, 2019

For **Akhil Rathi & Co.**  
Chartered Accountants  
FRN NO.136954W

**Akhil Rathi**  
Proprietor  
M. No. 154788

## Annexure B To the Independent Auditor's Report of Even Date on the Standalone Financial Statements of Confidence Petroleum India Limited



### (REFERRED TO IN PARAGRAPH 2 UNDER 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' SECTION OF OUR REPORT OF EVEN DATE)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.

Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed and other relevant records evidencing title provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date,

(ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees, as applicable. The Company has not granted any security in terms of Section 185 and 186 of the Companies Act, 2013.

(v) According to the information and explanations given to us, the Company has not accepted any deposit from the public during the year. In respect of unclaimed deposits, the Company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, customs duty, excise duty, value added tax, goods and service tax, cess and any other material statutory dues with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales tax, service tax GST, customs duty, excise duty, value added tax, cess and other material statutory dues in arrears as at 31 March, 2019 for a period of more than six months from the date they became payable.

(c) There are no undisputed dues of income-tax, sales tax, service tax, customs duty, excise duty GST also and value added tax which have not been deposited as on 31 March, 2019.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, government, banks and dues to debenture holders.

## **Annexure B** To the Independent Auditor's Report of Even Date on the Standalone Financial Statements of Confidence Petroleum India Limited (Contd.)

- (ix) In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were raised, other than temporary deployment pending application of proceeds. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments).
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2019 Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the Year Company has made preferential Allotment of 15 Million equity shares @ ₹ 52/- per share of Face Value Of ₹ 1/- per share. The Allotment was made after taking necessary approval from Bombay Stock Exchange. No other transaction pertaining to Issue of shares has taken place during the year.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate Company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- The accompanying notes are forming part of the financial statements. In terms of our report attached For and on behalf of Board of Directors

For **Ganesh Adukia & Associates**  
Chartered Accountants  
FRN NO. 142238W

**Ganesh Adukia**  
Proprietor  
M. No.169737  
Nagpur, Dated: 20 May, 2019

For **Akhil Rathi & Co.**  
Chartered Accountants  
FRN NO.136954W

**Akhil Rathi**  
Proprietor  
M. No. 154788

# Balance Sheet

## Standalone Statement of Assets and Liabilities as at 31 March, 2019



(Amount in ₹)

	Notes	As at 31.03.2019	As at 31.03.2018
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	1	2850894998	1870601840
Capital work-in-progress	1	187281406	220816215
Investments in subsidiaries, associates and joint ventures	2	317134872	248609872
Loans	3	226366396	181998024
Other non-current assets	4	56980146	41895170
<b>Sub-total - Non-Current Assets</b>		<b>3638657818</b>	<b>2563921121</b>
<b>Current assets</b>			
<b>Inventories</b>			
	5	55561313	514099606
<b>Financial assets</b>			
Investments (Current)	6	146297068	
Trade receivables	7	570021056	502297090
Cash and cash equivalents	8	39869300	6728164
Bank balances other than Cash and Cash equivalents above	8	144859186	142672866
Other financial assets	9	255619933	165304102
Other current assets	10	7316547	3501775
<b>Sub-total - Current Assets</b>		<b>1719544403</b>	<b>1334603603</b>
<b>TOTAL – ASSETS</b>		<b>5358202221</b>	<b>3898524724</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	11	273835000	258835000
Other equity	12	3407859064	2088311497
<b>Sub-total – Equity funds</b>		<b>3681694064</b>	<b>2347146497</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Borrowings	13	293231233	93400796
Other financial liabilities	14	745800631	558402809
Deferred Tax Liability (Net)	15	161413667	108859005
<b>Sub-total - Non-current Liabilities</b>		<b>1200445531</b>	<b>760662610</b>
<b>Current liabilities</b>			
Borrowings	16	296061223	424734222
Trade payables	17	114119161	231310194
Other Financial liabilities	18	18344398	2771775
Other current liabilities	19	33171466	41699941
Provisions	20	14366378	90199485
<b>Sub-total - Current liabilities</b>		<b>476062626</b>	<b>790715617</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>		<b>5358202221</b>	<b>3898524724</b>

Significant Accounting Policies & Notes to Accounts

As Per Our Report of Even Date

For **Akhil Rathi & Co.**  
Chartered Accountants

For **Ganesh Adukia & Associates**  
Chartered Accountants

For and on Behalf of the Board

**Akhil Rathi**  
Proprietor  
NAGPUR  
M.NO-154788  
FRN NO-136954W

**Ganesh Adukia**  
Proprietor  
Nagpur  
M.NO- 169737  
FRN NO-142238W

**Nitin Khara**  
Managing Director  
DIN: 01670977

**Elesh Khara**  
Director & CFO  
DIN : 01765620

**Prity Bhabhra**  
Company Secretary  
Memb No. 52365

Date 20 May, 2019

# Standalone Profit and Loss

## Standalone Statement of Assets and Liabilities as at 31 March, 2019



(Amount in ₹)

Particulars	Notes	As at 31.03.2019	As at 31.03.2018
<b>I. Revenue from operations</b>	21	8733439819	5736422912
<b>II. Other Income</b>	22	42233023	19614097
<b>III. Total Revenue (I +II)</b>		<b>8775672842</b>	<b>5756037009</b>
<b>IV. Expenses:</b>			
Cost of materials consumed	23	2004217848	1468391150
Purchase of Stock-in-Trade	24	4469731083	2834776280
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	25	(39517888)	(53353168)
Employee benefit expense	26	247900424	160735466
Financial costs	27	83029098	105152579
Depreciation /amortization and Depletion expense	01	281522664	231899884
Other expenses	28	885097006	647457257
<b>Total Expenses</b>		<b>7931980235</b>	<b>5395059448</b>
<b>V. Profit before exceptional and extraordinary items and tax</b>	(III - IV)	843692607	360977561
<b>VI. Exceptional Items</b>			
<b>VII. Profit before extraordinary items and tax (V - VI)</b>		843692607	360977561
<b>VIII. Extraordinary Items</b>		0	0
<b>IX. Profit before tax (VII - VIII)</b>		<b>843692607</b>	<b>360977561</b>
<b>X. Tax expense:</b>			
(1) Current tax		200553121	89999003
(2) Deferred tax		52554662	18295585
<b>XI. Profit(Loss) for the period from continuing operations</b>	(VII-VIII)	590584824	252682973
<b>XII. Profit/(Loss) from discontinuing operations</b>		0	0
<b>XIII. Tax expense of discounting operations</b>		0	0
<b>XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)</b>		0	0
<b>XV. Profit/(Loss) for the period (XI + XIV)</b>		<b>590584824</b>	<b>252682973</b>
<b>XVI. Earning per equity share:</b>			
(1) Basic		2.16	0.98
(2) Diluted		2.16	0.98

Significant Accounting Policies and Notes to Accounts Schedule

Notes to Financial Statement 29

As Per Our Report of Even Date

For **Akhil Rathi & Co.**  
Chartered AccountantsFor **Ganesh Adukia & Associates**  
Chartered Accountants

For and on Behalf of the Board

**Akhil Rathi**  
Proprietor  
NAGPUR  
M.NO-154788  
FRN NO-136954W**Ganesh Adukia**  
Proprietor  
Nagpur  
M.NO- 169737  
FRN NO-142238W**Nitin Khara**  
Managing Director  
DIN: 01670977**Elesh Khara**  
Director & CFO  
DIN : 01765620**Prity Bhabhra**  
Company Secretary  
Memb No. 52365

Date 20 May, 2019

# Cash Flow Statement

## For the Year Ended 31 March, 2019



(Amount in ₹)

Particulars	As at 31.03.2019	As at 31.03.2018
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit before taxation</b>	<b>843692609</b>	<b>360977561</b>
Depreciation	281522664	231899884
Interest Expenses	83029098	105152579
Dividend & Interest Received Shown Separately	(40572890)	(4048674)
<b>Operating Profit before Working Capital Changes</b>	<b>1167671481</b>	<b>693981350</b>
Decrease / (Increase) in Sundry debtors	(67723963)	25959276
Decrease / (Increase) in Short term Loans & Advances, Other Current Assets	(94130605)	15152844
Decrease / (Increase) in Inventories	(41461707)	(50454637)
Increase / (Decrease) in Current Liabilities	(185979992)	107210396
Cash Generated from Operations	778375214	791849229
Income Tax Paid	253107783	108294588
<b>Net Cash Generated from Operating Activities</b>	<b>525267431</b>	<b>683554641</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital Expenditure	(1228281012)	(487914665)
Investment in Short Term Funds	(146297068)	0
Investment During the year	(68525000)	(20457992)
Movement in Loans & Advances	(59453350)	(45392257)
Dividend Received	0	0
Interest Received	40572890	4048674
<b>Net Cash Used in Investing Activities</b>	<b>(1461983540)</b>	<b>(549716240)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Fresh Equity Shares Raised	780000000	0
Fresh Borrowings	329454320	40934381
Dividend Paid	(36037259)	(15529350)
Repayment of Long-Term Borrowing	18344398	0
Interest Expenses	(83029098)	(105152579)
<b>Net Cash Used in Financing Activities</b>	<b>972043565</b>	<b>(79747548)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>35327456</b>	<b>54090853</b>
<b>CASH &amp; CASH EQUIVALENTS AS AT THE BEGINNING OF YEAR</b>	<b>149401030</b>	<b>95310177</b>
<b>CASH &amp; CASH EQUIVALENTS AS AT END OF THE YEAR</b>	<b>184728486</b>	<b>149401030</b>

### Notes

- Cash Flow Statement has been prepared under the indirect method as set out in the Indian Accounting Standard (IND AS) 7 "Statement of Cash Flow".
- Purchase of Fixed Assets includes movement of capital work-in-progress during the year.

As Per Our Report of Even Date

For **Akhil Rathi & Co.**  
Chartered Accountants

For **Ganesh Adukia & Associates**  
Chartered Accountants

For and on Behalf of the Board

**Akhil Rathi**  
Proprietor  
NAGPUR  
M.NO-154788  
FRN NO-136954W

**Ganesh Adukia**  
Proprietor  
Nagpur  
M.NO- 169737  
FRN NO-142238W

**Nitin Khara**  
Managing Director  
DIN: 01670977

**Elesh Khara**  
Director & CFO  
DIN : 01765620

**Prity Bhabhra**  
Company Secretary  
Memb No. 52365

Date 20 May, 2019

# Notes to Financial Statements

## For the Year Ended 31 March, 2019



### SIGNIFICANT ACCOUNTING POLICIES

#### A. COMPANY OVERVIEW

Confidence Petroleum India Limited (the Company) is a BSE / NSE listed entity incorporated in India having registered, office at 701, Shivai Plaza Premises Chs. Ltd, Plot No 79, Marol Industrial Estate, Nr Mahalaxmi Hotel, Andheri East, Mumbai, Maharashtra -400059 . The Company is one of leading manufacturers of LPG Cylinders in India along with its repairing activity, Company also is a prominent supplier of Auto LPG in India with its network of bottling plants and ALDS Stations across India, the Company is also into Parallel LPG Market by the name of pack cylinder division with GO GAS as its brand and is into selling LPG to both domestic and commercial users at competitive rates Further Company is also into bottling blending /marketing of LPG and also in its Logistic business

#### B. ACCOUNTING CONVENTION

The Financial Statements have been prepared on the historical cost basis. Further, the Company maintains its accounts in accrual basis accounting policies are consistently applied by the Company to all the period mentioned in the financial statements.

The preparation of financial statements is in accordance with the Indian Accounting standard ('IND AS') notified under section 133 of the Companies Act, 2013 ("the Act") read with the Companies Indian Accounting standard Rules 2015 as amended.

##### Use of estimates

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or

liabilities in the future periods.

#### A) Current / Non-current classification:

An asset is classified as current when it satisfies any of the following criteria:

- (i) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- (ii) it is held primarily for the purpose of being traded;
- (iii) it is expected to be realized within twelve months after the reporting date; or
- (iv) it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non-current.

A liability shall be classified as current when it satisfies any of the following criteria:

- (i) it is expected to be settled in, the Company's normal operating cycle;
- (ii) it is held primarily for the purpose of being traded;
- (iii) it is due to be settled within twelve months after the reporting date; or
- (iv) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the opinion of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

#### B) Property Plant & Equipment

##### Tangible Assets

Tangible Assets are stated at cost net of recoverable taxes, trade discounts and rebates and include amounts added on revaluation, less accumulated depreciation and impairment loss, if any. The cost of Tangible Assets comprises its purchase price,

# Notes to Financial Statements

## For the Year Ended 31 March, 2019 (Contd.)

borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets. Subsequent expenditures related to an item of Tangible Asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Projects under which assets are not ready for their intended use are disclosed under Capital Work-in-Progress.

Gain or losses arising from disposal of tangible assets are measured as the difference between the net disposal proceeds and the carrying amount of assets and are recognized in the statement of profit and loss when the assets is disposed.

### Intangible Assets

Intangible Assets acquired separately are recorded at cost at the time of initial recognition following initial recognition intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses

### LEASES

Determining whether an arrangement contains a lease

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in the arrangement.

Where the Company is a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term

Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

### ASSET IMPAIRMENT

Management Periodically assesses, using external and internal sources whether there is an indication that an asset may be impaired. An impairment is recognized whenever the carrying value of the asset exceeds its recoverable amount. Recoverable amount is higher of an assets net selling price and its value in use. An impairment loss, if any, is recognized in the Statement of profit & Loss in the period in which impairment takes place

### FINANCE COSTS

Borrowing costs that are directly attributable to the acquisition or construction of an asset that necessarily takes substantial period of time to get ready for its intended use are capitalized as a part of the cost of that asset till the date it is ready for its intended use or sale. Other borrowing costs are recognized as an expense in the period in which they incurred.

## C) Depreciation and Amortization

### Tangible Assets

Depreciation on Fixed Assets is provided to the extent of depreciable amount on the written down value Method Depreciation is provided based on

# Notes to Financial Statements

## For the Year Ended 31 March, 2019 (Contd.)

useful life of the assets as prescribed in Schedule II to the Companies Act, 2013

In respect of additions or extensions forming an integral part of existing assets and insurance spares, including incremental cost arising on account of translation of foreign currency liabilities for acquisition of Fixed Assets, depreciation is provided as aforesaid over the residual life of the respective assets.

Depreciation and amortization methods, useful lives and residual values are reviewed periodically, including at each financial year end.

### Intangible Assets

Intangible Assets with finite lives are amortized over useful economic life and assessed for impairment whenever there is a indication that the intangible assets may be impaired. The amortization period and amortization method for an intangible assets with a finite useful life are reviewed at the end of each reporting period.

## D) Investments

### Investments in subsidiaries and associates

Investments in subsidiaries and associates are recognized at cost, less impairment loss (if any) as per Ind AS 27. Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be

recoverable.

### Other Investments

Long term investments including interest in incorporated jointly controlled entities, are carried at cost less impairment loss if any, after providing for any diminution in value, if such diminution is of permanent nature. Current investments are carried at lower of cost or market value. The determination of carrying amount of such investments is done on the basis of specific identification. Investments in integrated joint ventures are carried at cost net of adjustments for Company's share in profit or losses as recognized.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis.

Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between carrying amount and net disposal proceeds is charged or credited to the Profit and loss Statement.

## E) Inventories

Inventories –are valued as follows: (In accordance with IND AS -2)	
Raw materials	Lower of cost or net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on Weighted Average basis. Cost of raw materials comprises of cost of purchase (net of discount) and other cost in bringing the inventory to their present location and condition excluding Goods and Service Tax / / Countervailing duty. Customs duty on stock lying in bonded warehouse is included in cost.
Work-in-progress and Finished goods	Lower of cost and net realizable value. Cost includes direct materials and labor and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on Weighted Average basis.

# Notes to Financial Statements

## For the Year Ended 31 March, 2019 (Contd.)

### F) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

#### Sale of Goods /Services

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer. The Company collects Good and Service Tax / other taxes on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue.

#### Interest Income

- a) Interest income is recognized on a time proportion basis considering the carrying amount and the effective interest rate. Interest income is included under the head 'Other income' in the statement of profit and loss. Separate disclosure of Tax Deducted at Source has been made by the Company.

#### Dividends

Revenue is recognized when the Company's right to receive the dividend is established by the reporting date. Dividend income is included under the head 'Other income' in the statement of profit and loss.

### G) Foreign Currency Transactions

Foreign currency transactions are accounted at the exchange rates prevailing at the date of the transaction. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies, are recognized in the Profit and Loss Account.

Monetary Foreign Currency asset and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange difference are recognized in profit and loss account statement.

### H) Retirement and other employee benefits

#### (i) Provident Fund

Provident fund is a defined contribution plan covering eligible employees. The Company and the eligible employees make a monthly contribution to the provident fund maintained by the Regional Provident Fund Commissioner equal to the specified percentage of the basic salary of the eligible employees as per the scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due. The Company has no obligation, other than the contribution payable to the provident fund.

#### (ii) Gratuity

Gratuity is a defined benefit obligation plan operated by the Company for its employees covered under the Company Gratuity Scheme. Since Company is having huge turnover of employee and further employees are appointed are also only of fixed term of 1 to 2 years hence liability gratuity does not arise and provided.

#### (iii) Leave encashment

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit for measurement purposes. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Re-measurements, comprising of actuarial gains and losses are recognized in full in the statement of profit and loss.

# Notes to Financial Statements

## For the Year Ended 31 March, 2019 (Contd.)

The Company presents the entire leave encashment liability as a current liability in the balance sheet, since employee is entitled to avail leave anytime and hence the Company does not have an unconditional right to defer its settlement for twelve months after the reporting date.

### I) Segment Reporting

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole. The Company prepares its segment information in conformity with accounting policies adopted for preparing and presenting the financial statements of the Company as a whole. In accordance with paragraph 4 of Ind AS 108- "Operating Segments" the Company has disclosed segment information only on basis of the consolidated financial statements which are presented together along with the standalone financial statements

### J) Cash & Cash Equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and Fixed Deposits both with and without Lien.

### K) Provisions

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates

### L) Taxes on Income

The Tax expense for the period comprises of current and deferred Income tax. Tax is recognized instatement of Profit & Loss, except to the extent it relates to its items recognized in the Other Comprehensive Income or in equity. In which case,

the tax is also recognized in other Comprehensive Income or Equity.

### i) Current Tax

Current Tax is asset and liabilities are measured at the amount expected to be recovered from or paid to the Income tax Authorities, based on tax rates and laws that are enacted at the Balance Sheet date.

### Deferred Tax

Deferred Tax is recognized on temporary differences between the carrying amounts of the assets and liabilities in which the liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred Tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realized, based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

### Contingent liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

### Financial Risk Management

Financial risk management objectives and policies The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is

# Notes to Financial Statements

## For the Year Ended 31 March, 2019 (Contd.)

set by the Managing Board.

The Company has not made any foreign currency borrowings hence no risk is involved.

### Ageing of Account Receivables

(Amount in ₹)

Particulars	As at 31.03.2019	As at 31.03.2018
Debts Outstanding for a period exceeding six months	20064545	16546631
Others	549956512	485750459
<b>Total</b>	<b>570021056</b>	<b>502297090</b>

### Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time, or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risk are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The table below analyses the financial liability of the Company into relevant maturity groupings based on the remaining period from reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flow.

### Capital Risk Management

#### Risk Management

The Company's objectives when managing capital are to

- \* safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders.
- \* maintain an optimal capital structure to reduce the cost of capital

The Company monitors capital on the basis of the following debt equity ratio:

(Amount in ₹)

Particulars	As at 31.03.2019	As at 31.03.2018
Net Debt	607636854	520906793
Total Equity	<b>3681694064</b>	<b>2347146497</b>
<b>Debt / Equity</b>	0.17	0.23

### Dividend

The Company has declared dividend, Details of dividend paid are

(Amount in ₹)

Particulars	As at 31.03.2019	As at 31.03.2018
Interim Dividend Paid	27383500	12941750
Corporate Tax on Dividend	5628759	2587600

# Notes to Financial Statements

## For the Year Ended 31 March, 2019 (Contd.)

### Earnings Per Share ( EPS )

(Amount in ₹)

Particulars	As at 31.03.2019	As at 31.03.2018
Net Profit After Tax	590584826	252682973
Weighted Average No of Shares	273835000	258835000
Nominal Value of Shares	1.00	1.00
Basic & Diluted Earnings per share	2.16	0.98

### Fair Value Measurement

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

Fair value of cash and short-term deposits, trade and other short-term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.

Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

Amount ₹ in Lacs

Particulars	As at 31.03.2019			As at 31.03.2018		
	Carrying Amount	Level of Input used in Level -1	Level of Input used in Level -2	Carrying Amount	Level of Input used in Level -1	Level of Input used in Level -2
<b>Financial assets At amortized Cost</b>						
Investment	3171	-	-	2486	-	-
Trade Receivable	5788	-	-	5023	-	-
Cash & Cash Equivalent	1879	-	-	1494	-	-
<b>At FVTPL</b>						
Investment	1463	-	-	-	-	-
Other financial Assets	-	-	-	-	-	-
<b>At FVTOCI</b>						
Investment	-	-	-	-	-	-
Financial Liabilities	-	-	-	-	-	-
Borrowings	3144	-	-	5363	-	-
Trade Payable	1141	-	-	2313	-	-
Other Financial Liabilities including other Payable	475	-	-	1319	-	-

# Notes to Financial Statements

## For the Year Ended 31 March, 2019 (Contd.)

The Financial Instruments are categorized in two level based on the inputs used to arrive at fair value measurement as described below

**Level 1:** quoted (unadjusted) prices in active markets for identical assets or liabilities

**Level 2:** other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

### Recent accounting pronouncements

#### Standards issued but not effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Confidence Petroleum India Limited ("Company") financial statements are disclosed below. The

Company intends to adopt these standards, if applicable, when they become effective.

#### Ind AS 116 Leases

Ind AS 116 Leases replaces Ind AS 17 Leases, including appendices thereto and is effective for annual periods beginning on or after 1 April, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on –balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees' leases of "low-value" assets (e.g. personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognize a liability to make lease payments (i.e. the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e. the right-of-use asset). Lessees will be required to separately recognize the interest expense on the lease liability and the depreciation expense on the right-of –use asset

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g. a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognize the amount of the remeasurement of the lease liability as an adjustment the right-of-use asset.

Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases: operating and finance leases.

Ind AS 116, which is effective for annual periods beginning on or after 1 April, 2019, requires lessees and lessors to make more extensive disclosures than under Ind AS 17.

The Company will adopt Ind AS 116 from financial year beginning 1 April, 2019. On adoption, the Company expects to recognize lease liabilities with corresponding ROU assets for certain leases where the Company is a lessee. The single lessee accounting model of Ind AS 116 will result in a front-loaded lease expense pattern. While the Company continues to evaluate certain aspects of Ind AS 116, it does not expect Ind AS 116 adoption to have a material effect on its financial statements.

The Company is analyzing potential changes to the current accounting practices and are in the process of implementing the same in connection with the adoption of Ind AS 116.

In addition to Ind AS 116, the MCA has also notified the following changes which are effective from financial year beginning 1 April. The Company will adopt these changes from the date effective however, the adoption of these changes is unlikely to have any impact

# Notes to Financial Statements

## For the Year Ended 31 March, 2019 (Contd.)

on the financial statements

Appendix C to Ind AS 12 Uncertainty over  
Income Tax Treatment

Amendments to Ind AS 109: Prepayment  
Features with Negative Compensation

Amendments to Ind AS 19: Plan Amendment,  
Curtailement or Settlement

Amendments to Ind AS 28: Long -term  
interests in associates and joint ventures

Annual Improvement to Ind AS (2018)

These Improvements include:

- Amendments to Ind AS 103 : Party to a  
Joint Arrangements obtains control of a  
business that is a Joint Operation
- Amendments to Ind AS 111 : Joint  
Arrangements
- Amendments to Ind AS 12 : Income Taxes
- Amendments to Ind AS 23 : Borrowing  
Costs



# Notes to Financial Statements

## For the Year Ended 31 March, 2019 (Contd.)

### 1. PROPERTY, PLANT AND EQUIPMENT, CAPITAL WORK-IN-PROGRESS

Block Head	Useful Life	Opening Balance	Addition 18-19	Sale/Adj	Total Value	During the Year					AS ON	
						Upto 31/03/2018	On Assets whose Life Expired	Other Assets	Sale/Adj	Upto 31/03/2019		31.03.19
Free Hold Land	N.A.	182585398	11768555	0	194353953.0	0.0	0.0	0.0	0.0	0.0	194353953.0	182585398.0
Lease Hold Land	30	60373572	0	0	60373572.0	31033056.0	0.0	3899633.0	0.0	34932689.0	25440883.0	29340516.0
Office Building	60	26132173	0	0	26132173.0	3653553.0	0.0	428713.0	0.0	4082266.0	22049907.0	22478620.0
Factory Building	30	1150499445	93940394	0	1244439838.0	440083193.0	0.0	42266097.0	0.0	482349290.0	762090548.0	710416252.0
Plant & Machinery	15	1849398036	843294283	0	2692692319.0	1199757406.0	0.0	168504509.0	0.0	1368261915.0	1324430404.0	649640630.0
Electrical Installation	10	66322000	220990	0	66542990.0	65101086.0	0.0	426521.0	0.0	65627607.0	1015383.0	1220914.0
Vehicle	8	68818423	1861976	0	70680399.0	36367746.0	0.0	4740238.0	0.0	41107984.0	29572415.0	32450677.0
Heavy Vehicle	8	72907371	69083682	0	141991063.0	28461881.0	0.0	14536503.0	0.0	42998384.0	98992669.0	44445490.0
Furniture & Fixtures	10	15941374	504983	0	16446357.0	14237966.0	0.0	689695.0	0.0	14927661.0	1518696.0	1703408.0
Computer	3	20943775	3833971	24407	24753339.0	15592503.0	0.0	3379415.0	0.0	18971918.0	5781421.0	5351272.0
Office Equipments	10	6325116	1925789	0	8250905.0	5275467.0	0.0	608916.0	0.0	5884383.0	2366522.0	1049649.0
Cylinders	10	478024697	235405606	0	713430302.0	288105682.0	0.0	42042424.0	0.0	330148106.0	383282196.0	189919015.0
<b>TOTAL</b>		<b>3998271380</b>	<b>1261840228</b>	<b>24407</b>	<b>5260087201.0</b>	<b>2127669539.0</b>	<b>0.0</b>	<b>281522664.0</b>	<b>0.0</b>	<b>2409192203.0</b>	<b>2,850894999.0</b>	<b>1870601841.0</b>
WIP Project		220816216	12245227	45780038	187281406.0	0.0	0.0	0.0	0.0	0.0	187281406.0	220816216.0
<b>TOTAL</b>		<b>4219087596</b>	<b>1274085455</b>	<b>45804444</b>	<b>5447368607.0</b>	<b>2127669539.0</b>	<b>0.0</b>	<b>281522664.0</b>	<b>0.0</b>	<b>2409192203.0</b>	<b>3038176404.0</b>	<b>2091418057.0</b>

(Amount in ₹)

# Notes to Financial Statements

## For the Year Ended 31 March, 2019 (Contd.)

### 2. INVESTMENTS IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

(Amount in ₹)

Particulars	Face Value	As at 31.03.2019	As at 31.03.2018
National Saving Certificate		17000	17000
Shares of Tirupati Bank		637505	637505
Shares in Indian Company (Unquoted)		51130	51130
- Investment in Partnership Business of M/s Banglore Go Gas		1250000	1250000
- Investment in Partnership Business of M/s Sneha Petroleum, Bangalore		27254995	27254995
- Investment in Partnership Business of M/s North East Cylinders		5000000	5000000
- Investment in Indian Auto Gas Ltd.		225000	0
- Investment in Garg Distillaries Pvt. Ltd.		18611855	26329855
<b>(a)</b>		<b>53047485</b>	<b>60540485</b>
<b>In Equity Shares of Subsidiaries</b>			
- 100% holding in Shares of Hemkunt Petroleum Ltd	10	1230000	0
- 100% holding in Shares of Taraa LPG Bottling Pvt. Ltd	100	100000	100000
- 100% holding in Shares of Agwan Coach Pvt. Ltd.	10	1000000	1000000
- 100% holding in Shares of Gaspoint Bottling Pvt. Ltd.	10	9800000	0
- 100% holding in Shares of Confidence Go Gas Ltd.	100	500000	500000
- 100% holding in Shares of Keppy Infrastructure Developers Pvt. Ltd.	10	100000	100000
- 100% holding in Shares of Unity Cylinders Equipmnt P Lt d	10	100000	100000
- 100% holding in Shares of Confidence Technologies Pvt. Ltd.	10	100000	100000
- 100% holding in Shares of SV Engineering Pvt. Ltd.	10	48188000	0
- 50% holding in Shares of Chhatisgarh Gaspoint Bottling Pvt. Ltd.	10	3900000	450000
- 50% holding in Shares of Nine Infra Projects Pvt. Ltd.	10	250000	250000
- 75% holding in Shares of Blue flame Industries Pvt. Ltd.	10	13350000	50000
- 50% holding in Shares of Papusha Gases Pvt Ltd	10	50000	0
- 50% holding in Shares of Jaypore Blueflames Pvt. Ltd.	10	50,000	50000
- 50% holding in Shares of Suraj Cylinders Pvt. Ltd.	10	1025000	1025000
- 52% holding in Shares of Confidence Futuristic Energetech Ltd.	10	22983370	22983370
<b>(b)</b>		<b>102726370</b>	<b>26708370</b>
<b>In Joint Venture</b>			
- 70% holding in Investment In Pt Surya Go Gas Indonesia		1613 61017	161361017
<b>(c)</b>		<b>1613 61017</b>	<b>161361017</b>
<b>TOTAL (a+b+c)</b>		<b>317134872</b>	<b>248609872</b>

# Notes to Financial Statements

## For the Year Ended 31 March, 2019 (Contd.)

### 3. LOANS / ADVANCES GIVEN:

Particulars	(Amount in ₹)	
	As at 31.03.2019	As at 31.03.2018
Advances Given	7734675	44472332
Deposits and Recoverable	218631721	137525692
<b>Total</b>	<b>226366396</b>	<b>181998024</b>

### 4. OTHER NON CURRENT ASSETS

Particulars	(Amount in ₹)	
	As at 31.03.2019	As at 31.03.2018
Advance Payment of Taxes	56980146	41895170
<b>Total</b>	<b>56980146</b>	<b>41895170</b>

### CURRENT ASSETS

### 5. INVENTORIES

Particulars	(Amount in ₹)	
	As at 31.03.2019	As at 31.03.2018
<b>At Lower of Cost or Net Realizable Value (As Valued, Verified &amp; certified by the Management)</b>		
- Raw Materials	65732780	64298914
- Work in Progress	245198727	239850070
- Finished Goods	52248706	51108976
Components	8850119	8657067
Consumables	11606441	11353263
Stores and Spares	2921251	2857528
LPG	166659893	133678855
Scrap	2221683	2173220
Loose Tools	121713	121713
<b>Total</b>	<b>555561313</b>	<b>514099606</b>

### 6. INVESTMENTS:

Particulars	(Amount in ₹)	
	As at 31.03.2019	As at 31.03.2018
Short Term Investment in LIC Housing Finance	146 297 068	0
<b>Total</b>	<b>146 297 068</b>	<b>0</b>

# Notes to Financial Statements

## For the Year Ended 31 March, 2019 (Contd.)

### 7. TRADE RECEIVABLES

(Amount in ₹)

Particulars	As at	As at
	31.03.2019	31.03.2018
Receivables (Unsecured, considered good)	567508604	502297090
Receivables from related parties (refer note 29 point no. 14)	2512452	
<b>Total</b>	<b>570021056</b>	<b>502297090</b>

### 8. CASH AND CASH EQUIVALENTS

(Amount in ₹)

Particulars	As at	As at
	31.03.2019	31.03.2018
Cash in Hand (Refer to Note No. 13 of Notes to accounts in Schedule 29)	39869300	6728164
	<b>39869300</b>	<b>6728164</b>
<b>Balances With Banks :</b>		
In Current Account	39785473	58571586
<b>In Fixed Deposit Account</b>		
Fixed Deposit Account Without Lien		
F.D.R. (Against L/C B/G Margin Money /Others)	105073713	84101280
	<b>144859186</b>	<b>142672866</b>
<b>Total Cash &amp; Bank Balance</b>	<b>184728486</b>	<b>149401030</b>
<b>(Balance in current account includes ₹ 421594/- as unclaimed Divided for financial Year 2017-18)</b>		

### 9. OTHER FINANCIAL ASSETS

(Amount in ₹)

Particulars	As at	As at
	31.03.2019	31.03.2018
Advances recoverable in cash or kind or for value to be received	40906753	24477134
Deposits and Recoverable	214713180	140826968
	<b>255619933</b>	<b>165304102</b>

### 10. OTHER CURRENT ASSETS

(Amount in ₹)

Particulars	As at	As at
	31.03.2019	31.03.2018
Other Assets	7316547	3501775
	<b>7316547</b>	<b>3501775</b>

# Notes to Financial Statements

## For the Year Ended 31 March, 2019 (Contd.)

### 11. EQUITY

(Amount in ₹)

Particulars	As at 31.03.2019	As at 31.03.2018
<b>SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
35 75 00 000 Equity Shares of ₹ 1/- each	357500000	307500000
<b>ISSUED SUBSCRIBED and PAID UP</b>		
Equity Shares of ₹ 1/- each at the beginning of the Year	258835000	258835000
Shares Issued during the Year	15000000	0
27 38 35 000 Equity Shares of ₹ 1/- each	273835000	258835000
<b>Total</b>	<b>273835000</b>	<b>258835000</b>

- 10,00,00,000 shares fully paid were issued pursuant to the scheme of amalgamation dated 11 August, 2006 for considerations otherwise than cash. The amalgamation order from Honorable Mumbai High Court has amalgamated erstwhile Confidence
- 5,00,00,000 shares fully paid were issued pursuant conversion of Warrants on 13 June, 2007.
- 5,45,85,000 Shares fully paid were issued pursuant to issue of GDR on 11 of January, 2008.
- 17 50 000 shares fully paid were issued pursuant to the scheme of amalgamation dated 18 September, 2009 for considerations otherwise than cash
- 1,50 00, 000 shares fully paid were preferentially allotted @52 each on 25/07/2018 as per approval received from Bombay Stock Exchange

#### (I)(b)

(Amount in ₹)

Sr. No.	Name of the shareholder	Total shares held - 2019		Total shares held - 2018	
		Number of shares	As a % of total holding	Number of shares	As a % of total holding
1	Nitin P Khara	23532987	8.59	23395637	9.04
2	Gaspoint Petroleum I Ltd	66387160	24.24	66210598	25.58

### 12. OTHER EQUITY

(Amount in ₹)

Particulars	As at 31.03.2019	As at 31.03.2018
<b>Securities Premium Account</b>		
As per last Balance Sheet	1687810706	922810706
<b>(a)</b>	<b>1687810706</b>	<b>922810706</b>
<b>Capital Subsidy Reserves</b>		
As per last Balance Sheet	2250000	2250000
<b>(b)</b>	<b>2250000</b>	<b>2250000</b>

# Notes to Financial Statements

## For the Year Ended 31 March, 2019 (Contd.)

(Amount in ₹)

Particulars	As at 31.03.2019	As at 31.03.2018
<b>General Reserve</b>		
As per last Balance Sheet	14524000	14524000
<b>(c)</b>	<b>14524000</b>	<b>14524000</b>
<b>Revaluation Reserve</b>		
As per last Balance Sheet	104999705	104999705
<b>(d)</b>	<b>104999705</b>	<b>104999705</b>
<b>Surplus in Profit and Loss Account</b>		
<b>Opening Balance - Profit &amp; Loss Account</b>	1043727087	806573464
<b>Add : Profit/Loss for the period</b>	590584826	252682973
Less : Interim Dividend Paid @ 10% /5% in FY 2018-19 & 2017-18	(27383500)	(12941750)
Less : Corporate Dividend Tax on Interim Dividend	(5628759)	(2587600)
Less : Corporate Social Responsibility	(3025000)	
<b>(e)</b>	<b>1598274653</b>	<b>1043727087</b>
<b>TOTAL (a+b+c+d+e)</b>	<b>3407859064</b>	<b>2088311497</b>

### 13. FINANCIAL LIABILITIES :

(Amount in ₹)

Particulars	As at 31.03.2019	As at 31.03.2018
1) Term Loans From - Banks	86903230	60700837
From Corporates	195715699	22087655
From SICOM Limited (Interest Free)	10612304	10612304
(Under Deferral Package Scheme of Incentive 1993.		
<b>TOTAL</b>	<b>293231233</b>	<b>93400796</b>

- i) ₹ 0.70 Crores Are secured with Bank of India, Gandhibag. (Of which ₹ 0.10 Crores is repayable within one year) against Property located at Plot No. 1 Mahendra Nagar, Teka Naka, Kamptee Road, Nagpur, and personal guarantee of Shri Nitin Khara
- ii) ₹ 7.99 Crores Are secured with the AXIS Bank Ltd. / BMW financial Service/ Kotak Bank/ Merceddez Financial Services (Of which ₹ 1.74 Crores is repayable in within one year) against Vehicles /Generators / Specific Equipments financed and personal guarantee of Shri Nitin Khara

### 14. OTHER LONG TERM LIABILITIES

(Amount in ₹)

Particulars	As at 31.03.2019	As at 31.03.2018
Deposit Received against Cylinders	745053507	557981215
Un -claimed Divided	747124	421594
From Corporates & Others	0	0
<b>TOTAL</b>	<b>745800631</b>	<b>558402809</b>

- 1) These deposits have been received against LPG Cylinders given to dealers and distributors for filling gases and is refundable subject to allowance of wear and tear to them on their return.

# Notes to Financial Statements

## For the Year Ended 31 March, 2019 (Contd.)

### 15. DEFERRED TAX LIABILITIES :

(Amount in ₹)

Particulars	As at 31.03.2019	As at 31.03.2018
<b>1) Related to Fixed Assets</b>		
Opening Balance	108859005	90563420
Additions during the year	52554662	18295585
Closing Balance	161413667	108859005
<b>TOTAL</b>	<b>161413667</b>	<b>108859005</b>

### 16. SHORT TERM BORROWINGS :

(Amount in ₹)

Particulars	As at 31.03.2019	As at 31.03.2018
Secured Working Capital Loans from Banks	292230348	424734222
Others	3830875	0
<b>TOTAL</b>	<b>296061223</b>	<b>424734222</b>

- i) ₹ 19.68 Crores Secured against charge With ICICI Bank Ltd. by way of charge on the Company's entire stocks of raw materials, semi – finished and finished goods, consumable stores and spares and such other movables including book – debts, bills whether documentary or clean, outstanding monies, receivables, both present and future, in a form and manner satisfactory to the Bank ranking pari-passu with the other participating bank along with equitable mortgage of land and building situated at Khasra No.(Survey No.) 209, Rampur road, Bazpur, Dist. Uddhamsinghnagar, Uttranchal, Plot no. 49, A.P. SEZ, village Achutapuram, Dist. Vishakhapatnam, Andhra Pradesh. Survey no. 338, Post Noorpura, Village and Taluka Halol, District Panchmahal, Kh. No. 82 (old) 82/1 (new) along with Factory Shed thereon admeasuring situated at Mouza Ringnabodi, Taluka Katol, Dist. Nagpur, Property on Khata No. 00070 Khasra No. 217 area 10832 Sq. Mt. & Khata No.00071 Khasra No. 215 area 6545 Sq. Mt. Total area 17377 Sq. Mt. Situated at Revenue Village Puramana Tehsil Kiraoli District Agra U.P and personal guarantee of directors of the Company i.e. Shri Nitin Khara and Shri Elesh Khara
- ii) ₹ 9.54 Crores Secured against charge With Central Bank of India, LIC Sq. Nagpur for hypothecation of Property situated at Kh No. 60 & 61 Mauza Buruzwada Saoner Road, Nagpur and charge over stock of Raw Material, Consumable, Finished goods, Work in Process, Booksdebts and personal guarantee of the Directors of the Company i.e. Shri Nitin Khara and Shri Elesh Khara

### 17. TRADE PAYABLES

(Amount in ₹)

Particulars	As at 31.03.2019	As at 31.03.2018
Micro, Small & Medium Enterprises	0	0
Creditors for Goods and Expenses	114119161	231310194
<b>TOTAL</b>	<b>114119161</b>	<b>231310194</b>

# Notes to Financial Statements

## For the Year Ended 31 March, 2019 (Contd.)

7.1 The details of amounts outstanding to Micro, Small and Medium Enterprises based on information available with the Company is as under:

(Amount in ₹)		
Particulars	As at 31.03.2019	As at 31.03.2018
Principal amount due and remaining unpaid	-	-
Interest due on above and the unpaid interest	-	-
Interest paid by the buyer in terms of section 16 of the MSMED Act, 2006	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

The disclosure required in balance sheet in view of amendment in Schedule – to the Companies Act, 2013 vide notification No. GSR-129(E) dated 22-02-99 as to the names of Small Scale Industrial undertaking to whom the Company owes a sum exceeding ₹ 1.00 Lac outstanding for more than one month and as to total outstanding dues of such undertakings at the date of Balance Sheet are not possible to make, as the information as to whether the creditors are small industrial undertaking or not, is not available from most of the creditors till the date of finalization of the accounts.

### 18. FINANCIAL LIABILITIES :

(Amount in ₹)		
Particulars	As at 31.03.2019	As at 31.03.2018
Term Loans Installments Payable within one year	18344398	2771775
<b>TOTAL</b>	<b>18344398</b>	<b>2771775</b>

### 19. OTHER CURRENT LIABILITIES :

(Amount in ₹)		
Particulars	As at 31.03.2019	As at 31.03.2018
Other Liabilities	33171466	41699941
<b>TOTAL</b>	<b>33171466</b>	<b>41699941</b>

\*Includes Advances from Customers & Statutory dues

### 20. PROVISIONS

(Amount in ₹)		
Particulars	As at 31.03.2019	As at 31.03.2018
Provision for Expenses	14366378	90199485
<b>TOTAL</b>	<b>14366378</b>	<b>90199485</b>

# Notes to Financial Statements

## For the Year Ended 31 March, 2019 (Contd.)

### 21. SALES AND OPERATIONAL INCOME

(Amount in ₹)

Particulars	As at 31.03.2019	As at 31.03.2018
Sale of Cylinders /Raw Material/ Project / Scrap/Others	2474844018	2178603858
Sale of Lpg and Auto LPG/ Filling /DPT / Transport Charges	6258595801	3638948529
	<b>8733439819</b>	<b>5817552387</b>
Less : Excise Duty / Service Tax Recovered	0	81129475
<b>TOTAL</b>	<b>8733439819</b>	<b>5736422912</b>

### 22. OTHER INCOME

(Amount in ₹)

Particulars	As at 31.03.2019	As at 31.03.2018
Interest Income	31765780	7648804
(TDS on Interest Income Cy. ₹ 554685/- & PY ₹ 242635/)		
Interest Income	8807110	7916619
Dividend Received	0	0
Miscellaneous Receipts	0	0
Rebates and Discount	1660133	4048674
<b>TOTAL</b>	<b>42233023</b>	<b>19614097</b>

### 23. COST OF GOODS CONSUMED / SOLD RAW MATERIAL CONSUMED :

(Amount in ₹)

Particulars	As at 31.03.2019	As at 31.03.2018
Opening Stock	64298914	64886672
Add : Purchases	1500874024	1104574418
<b>Less :-</b>		
Discount Received	44623866	42449170
<b>Closing Stock</b>	65732780	64298914
<b>SUBTOTAL (A)</b>	<b>1454816292</b>	<b>1062713006</b>
<b>COMPONENTS / CONSUMABLES CONSUMED :</b>		
Opening Stock*	22867858	25178630
Add : Purchases	549911509	403367372
<b>Less :-</b>		
<b>Closing Stock</b>	23377811	22867858
<b>SUBTOTAL (B)</b>	<b>549401556</b>	<b>405678144</b>
<b>TOTAL (A+B)</b>	<b>2004217848</b>	<b>1468391150</b>

# Notes to Financial Statements

## For the Year Ended 31 March, 2019 (Contd.)

### 24. PURCHASE OF STOCK-IN-TRADE

(Amount in ₹)

Particulars	As at 31.03.2019	As at 31.03.2018
<b>LPG CONSUMED :</b>		
Purchases of LPG/Other Materials	4469731083	2834776280
<b>TOTAL</b>	<b>4469731083</b>	<b>2834776280</b>

### 25. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-T

(Amount in ₹)

Particulars	As at 31.03.2019	As at 31.03.2018
<b>INCREASE IN STOCKS</b>		
<b>Opening Stock</b>		
Finished Goods	51108976	49164534
Work in Progress	239850070	188560516
LPG	133678855	133620314
Scrap	2173220	2112589
<b>SUBTOTAL</b>	<b>426811121</b>	<b>373457953</b>
<b>LESS :</b>		
<b>Closing Stock</b>		
Finished Goods	52248706	51108976
Work in Progress	245198727	239850070
LPG	166659893	133678855
Scrap	2221683	2173220
<b>SUBTOTAL</b>	<b>466329009</b>	<b>426811121</b>
<b>INCREASE / (DECREASE) IN STOCKS</b>	<b>-39517888</b>	<b>-53353168</b>

### 26. EMPLOYEES BENEFITS

(Amount in ₹)

Particulars	As at 31.03.2019	As at 31.03.2018
Salary and Wages including PF and Others	244030309	157331000
Staff and Labour Welfare	3870115	3404466
<b>TOTAL</b>	<b>247900424</b>	<b>160735466</b>



# Notes to Financial Statements

## For the Year Ended 31 March, 2019 (Contd.)

### 27. INTEREST AND FINANCIAL CHARGES :

(Amount in ₹)

Particulars	As at 31.03.2019	As at 31.03.2018
Interest to Bank on Term Loan	5024875	5461951
Interest to Bank on W/C and others	66048002	93402426
Bank Charges, LC Charges, Mortgage and Registration Charges	11956221	6288202
<b>TOTAL</b>	<b>83029098</b>	<b>105152579</b>

### 28. OPERATING AND OTHER EXPENSES

(Amount in ₹)

Particulars	As at 31.03.2019	As at 31.03.2018
<b>Operating Expenses</b>		
<b>Factory expenses</b>		
- Power and Fuel	72142456	45145833
- Plant Licenses and other Exp.	29286152	30550305
- Carriage Inward	124944624	184383215
- Job Work Charges	162178173	112735086
- Testing and Marking Fees	5825655	7864543
<b>Repair and Maintenance</b>		
- Plant and Machinery	10056865	6482929
- Others	7983574	4353088
<b>Sub total (a)</b>	<b>412417499</b>	<b>391514999</b>
<b>Administration Expenses</b>		
Rent, Rates and Taxes	1326231	1212460
Printing and Stationery	887525	1017981
Remuneration to Auditors	600000	600000
Rental & Site Expenses	161972346	96713310
Security Charges	8548210	6094694
Insurance Expenses	3121168	1470136
Carriage Outward	95531250	80422805
Travelling Expenses	27743340	15022639
Remuneration to Directors	15000000	7500000
Miscellaneous Expenses	4808220	4369548
LD Charges	39100754	7720608
Communication Expenses	4133818	1960636
Legal and Professional Charges	24966855	8548346
Filing Fees Roc and others	4704221	3802746
Advertising and Sales Promotion	75222081	5089006
Vehicle Expenses	5013488	14397343
Preliminary Expenses Written off/Amalgamation Exp.W/off	0	0
<b>Sub total (b)</b>	<b>472679507</b>	<b>255942258</b>
<b>TOTAL (a+b)</b>	<b>885097006</b>	<b>647457257</b>

# Notes to Financial Statements

## For the Year Ended 31 March, 2019 (Contd.)

### 29. NOTES ON ACCOUNTS

#### 2. Contingent liabilities not provided for:

Particulars	(Amount ₹ in Lacs)	
	2018-19	2017-18
a) Outstanding Bank Guarantees	753.21	1055.27
b) Counter Guarantee to Bank (Amalgamated Company)s	Nil	Nil
3. Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances)	Nil	Nil

4. Balances of Sundry Debtors, Sundry Creditor, Unsecured Loans and loans and advances of amounts lesser than 10 Lacs are subject to reconciliation and confirmation with the respective parties.
5. No provision has been made on debtors outstanding for more than year. In the opinion of the Board of Directors, the current assets, loans and advances have a value on realization at least equal to the amount at which they are stated in the Balance Sheet.
6. The Company has availed Sales Tax Deferral under Package Scheme of Incentives, 1993 of Govt. of Maharashtra valid up to 31-7-2002 and sales tax deferral exemption converted into sales tax exemption w.e.f.01-08-2002 to 31-03-2006.
7. The Competition Commission of India has taken up a case in FY 2012-13 against all cylinder Manufacturers regarding bid rigging and imposed a penalty of ₹ 27.36 Crores. The Case has been adjudged by Honorable Supreme Court finally decided in favour of Company and no penalties against this order is payable by the Company.
8. During the Financial Year Company has acquired a stake in its new Subsidiary Company M/s Gaspoint Bottling Pvt Ltd, SV Engineering Pvt Ltd, North East Cylinder Pvt Ltd, Blue flame Industries Limited .

#### 9. Retirement and other employee benefits

##### Post Retirement Benefits

##### i. Defined Contribution Plans

Retirement benefits in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the Profit and Loss Account of the year when the contributions to the respective fund are due. There are no other obligations other than the contribution payable to the respective fund.

##### ii. Defined Benefit Plans

Gratuity is a defined benefit obligation plan operated by the Company for its employees covered under the Company Gratuity Scheme. Since Company is having huge turnover of employee and further employees are appointed are also only of fixed term of 1 to 2 years hence liability gratuity does not arise and provided.

##### ii. Leave Encashment

The Company presents the entire leave encashment liability as a current liability in the balance sheet, since employee is entitled to avail leave anytime and hence the Company does not have an unconditional right to defer its settlement for twelve months after the reporting date.

# Notes to Financial Statements

## For the Year Ended 31 March, 2019 (Contd.)

### 10. Managerial Remuneration :

#### Managing and Whole-time Directors

(Amount ₹ in Lacs)

Particulars	2018-19	2017-18
Salary	140.00	70.00
Perquisites	10.00	5.00
<b>Total</b>	<b>150.00</b>	<b>75.00</b>

### 11. Key Financial Ratios

(Amount in ₹)

Sr. No.	Particulars	2018-19	2017-18
a)	Total Turnover (Income) / Total Assets	1.63	1.47
b)	Net Profit before interest and tax / Capital Employed %	18.98	15.00
c)	Return on Net Worth %	16.04	10.77
d)	Net Profit / Total Income, Turnover %	6.76	4.40

### 12. As per Accounting Standard 17 on Segment Reporting (AS 17), the Company has reported "Segment Information", as described below:

- The **LPG/CNG Cylinder manufacturing segment** includes production and marketing operations of cylinder.
- The **LPG Bottling & Marketing** segment includes bottling of LPG & supplies for commercial usage.

#### SEGMENTWISE REPORT FOR THE PERIOD ENDED 31 MARCH, 2019

(Amount in ₹)

Particulars	2018-19	2017-18
<b>REVENUE</b>		
- Sale of Cylinder Division	2474844018	2178603858
- Sale of LPG Trading & Revenue from Refilling Division	6258595801	3638948529
	<b>8733439819</b>	<b>5817552387</b>
<b>SEGMENT WISE RESULT</b>		
- Cylinder Division	198049721	90635722
- LPG Trading Division & Refilling Division	645642888	270341838
	<b>843692609</b>	<b>360977561</b>

Note: Capital Employed, Capital Expenditure, Depreciation incurred has been allocated @ 60:40 in between Cylinder, LPG Bottling also Segment wise result have been computed without considering impact of taxes.

# Notes to Financial Statements

## For the Year Ended 31 March, 2019 (Contd.)

### 14. Disclosure in respect of related parties pursuant to Accounting Standard – 18.

(A) List of related parties:

Sr. No.	Name of Related Parties	Relationship
1	Confidence Go Gas Ltd	Wholly Owned Subsidiary
2	Gaspoint Bottling Private Ltd	Wholly Owned Subsidiary
3	Hemkunt Petroleum Ltd	Wholly Owned Subsidiary
4	Taraa LPG Bottling Pvt. Ltd	Wholly Owned Subsidiary
5	Keppy Infrastructure Developers Private Limited	Wholly Owned Subsidiary
6	Agwan Coach Private Limited	Wholly Owned Subsidiary
7	Unity Cylinders Equipments Private Limited	Wholly Owned Subsidiary
8	Confidence Technologies Private Limited	Wholly Owned Subsidiary
9	SV Engineering Private Limited	Wholly Owned Subsidiary

Sr. No.	Name of Related Parties	Relationship
7	Chhatisgarh Gaspoint Bottling Pvt. Ltd	Subsidiary *
8	Nine Infra Projects Pvt. Ltd	Subsidiary *
9	Confidence Futuristic Energetek Limited	Subsidiary **
10	Blueflame Industries Pvt Ltd	Subsidiary **
11	Papusha Gaspoint Bottling Pvt Ltd	Subsidiary *
12	Jaypore blue flames Pvt Ltd	Subsidiary *
13	Suraj Cylinders Pvt Ltd	Subsidiary *
14	Pt Surya Go Gas Indonesia	Subsidiary **

Sr. No.	Name of Related Parties	Relationship
15	Banglore Go Gas	Partner in Firm
16	Sneha Petroleum	Partner in Firm
17	North East Cylinders	Partner in Firm

\* The Company holds 50% in nominal value of the equity share capital

\*\* The Company holds more than 50% in nominal value of the equity share capital

(1) Key Management Personnel or their relatives

Nitin Khara	-	Managing Director
Elesh Khara	-	Executive Director & CFO
Mansi Deogokar	-	Women Independent Director
Sumant Sutaria	-	Independent Director
Vaibhav Dedhia	-	Independent Director
Priti Bhabhara	-	Company Secretary

The Company has not entered into any transaction with its non executive independent directors or the enterprises over which they have significant influence

# Notes to Financial Statements

## For the Year Ended 31 March, 2019 (Contd.)

(B) During the year following transactions were carried out with related parties in the ordinary course of business.

Sr. No.	Nature of the Parties	Nature of Transaction	Volume of transaction(Net)
1.	Key Management Personnel	Directors Remuneration	150 Lacs
2.	Sneha Petroleum	Purchases	7180.42 Lacs
3.	Gaspoint Petroleum India Ltd	Purchases	2146.21 Lacs
4.	Confidence Technologies Pvt Ltd	Purchases	1351.92 Lacs
5.	SV Engineering Pvt Ltd	Purchases	44.31 Lacs
6.	Unity Cylinders Pvt Ltd	Purchases	422.41 Lacs
7.	Gaspoint Bottling Pvt Ltd	Purchases	1047.75 Lacs
8.	Confidence Futuristic P Ltd	Purchases	706.83 Lacs

### 15. Payments to Managing Director and Executive Director.

(Amount ₹ in Lacs)

Particulars	2018-19	2017-18
i) Salaries & Allowances	150.00	75.00

(Amount ₹ in Lacs)

Particulars	2018-19	2017-18
<b>16 Auditor's Remuneration</b>		
i) Audit Fee	6.00	6.00
ii) Service Tax & Others	0.00	0.00
<b>Total</b>	<b>6.00</b>	<b>6.00</b>

### 17 Quantitative information pursuant to paragraph 3, 4 and 4D of part II of Schedule VI of the Companies Act, 1956 (as certified by the management):

#### A Licensed, Installed Capacity and Production:s

Class of Product	Units	Licensed Capacity	Installed Capacity	Actual Production/ Purchases
LPG Gas/Auto LPG Gas	M.T.	N.A.	N.A.	101609 Mts ( 70261.592 Mts.)
LPG /CNG Cylinders Manufacturing	Nos.	N.A.	27,44,000	1565118 Nos. (1610311 Nos.)

# Notes to Financial Statements

## For the Year Ended 31 March, 2019 (Contd.)

### B Turnover, Closing Stock and Opening Stock of Manufactured Goods:

Class of Products	Units	Turnover		Closing Stock		Opening Stock	
		Qty.	Amount	Qty.	Amount	Qty.	Amount
<b>Finished Goods</b>							
LPG/CNG Cylinders	No.	1563625	2286559342	46325	52248706	44832	51108976
		(1612463)	(1995053113)	(44832)	(51108976)	(46984)	(49164535)
LPG Gas	MT	101041	5786737995	3745	166659893	3177	133678855
		(69855)	(3337574071)	(3177)	(133678855)	(2770)	(133620314)
Scrap	MT	8192	188284676	98	2221683	97	2173220
		(8263)	(183550745)	(97)	(2173220)	(181)	(2112589)
<b>TOTAL</b>			<b>8261582012</b>		<b>221130282</b>		<b>186961051</b>
			(5516177928)		(186961051)		(184897438)

### C Consumption of Raw Material, Components and Consumables:

D. VALUE OF IMPORTED/INDIGENOUS RAW MATERIAL CONSUMED	Amount (₹ in Crores)	%
I) Indigenous	200.42	100.00
	(146.83)	(100.00)
II) Imported	Nil	Nil
	Nil	Nil

E. VALUE OF IMPORTED / INDIGENOUS STORES AND SPARE PARTS CONSUMED	Amount (₹ in Lacs)
I) Indigenous	NIL
II) Imported	NIL

F. REMITTANCES IN FOREIGN CURRENCY	517.90
	(152.02)

G. EXPENDITURE IN FOREIGN CURRENCY	517.90
	(122.94)

H. EARNING IN FOREIGN CURRENCY	88.07
	(79.17)

I. VALUE OF IMPORTS ON CIF BASIS	(22.94)
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# Notes to Financial Statements

## For the Year Ended 31 March, 2019 (Contd.)

**Note :**

Particulars	(Amount ₹ in Lacs)	
	2018-19	2017-18
For Purchase of LPG (High Seas Purchases Payment made in INR)	11295.98	5073.39
For Purchase of LPG Dispensers	517.90	152.02
For Investment in Equity of Foreign Subsidiary (PT Surya Go Gas, Indonesia) (Return on investment received)	(88.07)	(79.17)

18. Figures have been rounded off to the nearest rupee.
19. Previous year figures have been regrouped/reclassified wherever necessary to make them comparable with current year figures.
20. Notes 1 to 27 has been signed by the Directors and Auditors and forms an integral part of the Balance Sheet and Profit and Loss Account.

As Per Our Report of Even Date

For **Akhil Rathi & Co.**  
Chartered Accountants

For **Ganesh Adukia & Associates**  
Chartered Accountants

**For and on Behalf of the Board**

**Akhil Rathi**  
Proprietor  
NAGPUR  
M.NO-154788  
FRN NO-136954W

**Ganesh Adukia**  
Proprietor  
Nagpur  
M.NO- 169737  
FRN NO-142238W

**Nitin Khara**  
Managing Director  
DIN: 01670977

**Elesh Khara**  
Director & CFO  
DIN : 01765620

**Prity Bhabhra**  
Company Secretary  
Memb No. 52365

Date 20 May, 2019

# Independent Auditors Report



## Auditor's Report on Quarterly Consolidated Financial Results and Year to Date Consolidated Financial Results of The Confidence Petroleum India Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,  
Board of Directors of

### CONFIDENCE PETROLEUM INDIA LIMITED

We have audited the accompanying statement of Consolidated Financial Results of **M/s. Confidence Petroleum India Limited** (The Company) for the quarter and Year ended **31 March, 2019**, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The statement, which is the responsibility of companies management and approved by the board of directors, have been prepared on the basis of the related financial statement which is in accordance with Accounting Standard prescribed, under Section 133 of the Companies Act, 2013 read as applicable and accounting principles generally accepted in India. Our responsibility is to express an opinion on the statement.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed

as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management.

We believe that our audit evidence that we have obtained is sufficient and appropriate to provide a basis for our opinion.

We did not audit the financial statements of fifteen subsidiaries involving turnover of ₹ 130.18 Crores and Net Profit / Loss of ₹ 7.78 Crores included in consolidated year to date results and Consolidated the same on the basis of un audited financial statements as on 31 March, 2019.

In our opinion and to the best of our information and according to the explanations given to us Consolidated financial statements is

- a) presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- (ii) give a true and fair view in conformity with aforesaid accounting standard and other accounting principle generally accepted in India of the net profit and other financial information of Subsidiary Company for year ended 31 March, 2019

For **Ganesh Adukia & Associates**

Chartered Accountants  
FRN NO. 142238W

**Ganesh Adukia**

Proprietor  
M. No.169737  
Nagpur, Dated: 20 May, 2019

For **Akhil Rathi & Co.**

Chartered Accountants  
FRN NO.136954W

**Akhil Rathi**

Proprietor  
M. No. 154788



# Consolidated Balance Sheet

## Consolidated Statement of Assets and Liabilities as at 31 March, 2019



(Amount in ₹)

	Notes	As at 31.03.2019	As at 31.03.2018
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	1	3556769383	2430655883
Capital work-in-progress	1	196356419	233890029
<b>Financial assets</b>			
Investments in subsidiaries, associates and joint ventures	2	146845293	128043178
Loans	3	234035186	281061767
<b>Other non-current assets</b>	4	56980146	41895170
<b>Sub-total - Non-Current Assets</b>		<b>4190986427</b>	<b>3115546027</b>
<b>Current assets</b>			
<b>Inventories</b>			
<b>Financial assets</b>	5	767629935	614008299
Investments (Current)	6	146297068	
Trade receivables	7	576863927	621782656
Cash and cash equivalents	8	43053794	9771021
Bank balances other than Cash and Cash equivalents above	8	175931057	168687402
Other financial assets	9	279850062	214887365
Other current assets	10	18487792	15028020
<b>Sub-total - Current Assets</b>		<b>2008113635</b>	<b>1644164763</b>
<b>TOTAL – ASSETS</b>		<b>6199100062</b>	<b>4759710790</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	11	273835000	258835000
Other equity	12	3645665016	2271039286
<b>Sub-total – Equity funds</b>		<b>3919500016</b>	<b>2529874286</b>
Non-Controlling Interest	12	211727383	193911897
<b>Net Equity</b>		<b>4131227399</b>	<b>2723786183</b>
<b>Liabilities</b>			
<b>Non-current liabilities / Financial liabilities</b>			
Borrowings	13	370075867	308200794
Other financial liabilities	14	851271629	594476842
Deferred Tax Liability (Net)	15	167005868	113320963
<b>Sub-total - Non-current Liabilities</b>		<b>1388353364</b>	<b>1015998599</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	16	377049900	502806032
Trade payables	17	216781669	285282506
Other Financial liabilities	18	18344398	4284193
Other current liabilities	19	44642170	125544980
Provisions	20	22701162	102008297
<b>Sub-total - Current liabilities</b>		<b>679519299</b>	<b>1019926008</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>		<b>6199100062</b>	<b>4759710790</b>

Significant Accounting Policies & Notes to Accounts

As Per Our Report of Even Date

For **Akhil Rathi & Co.**  
Chartered Accountants

For **Ganesh Adukia & Associates**  
Chartered Accountants

For and on Behalf of the Board

**Akhil Rathi**  
Proprietor  
NAGPUR  
M.NO-154788  
FRN NO-136954W

**Ganesh Adukia**  
Proprietor  
Nagpur  
M.NO- 169737  
FRN NO-142238W

**Nitin Khara**  
Managing Director  
DIN: 01670977

**Elesh Khara**  
Director & CFO  
DIN : 01765620

**Prity Bhabhra**  
Company Secretary  
Memb No. 52365

Date 20 May, 2019

# Consolidated Statement Profit and Loss

## Consolidated Profit and Loss statement for the year ended 31 March, 2019



(Amount in ₹)

Particulars	Notes	As at 31.03.2019	As at 31.03.2018
<b>I. Revenue from operations</b>	21	10045299884	6067491511
<b>II. Other Income</b>	22	46733641	31577820
<b>III. Total Revenue (I + II)</b>		<b>10092033525</b>	<b>6099069331</b>
<b>IV. Expenses:</b>			
Cost of materials consumed	23	2867538828	1672978649
Purchase of Stock-in-Trade	24	4598302279	2837627466
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	25	(56001594)	-69378148
Employee benefit expense	26	329562876	220014974
Financial costs	27	109183570	120896027
Depreciation /amortization and Depletion expense	01	297953646	245017506
Other expenses	28	1041329805	696016913
<b>Total Expenses</b>		<b>9187869410</b>	<b>5723173387</b>
<b>V. Profit before exceptional and extraordinary items and tax</b>	(III - IV)	904164115	375895944
<b>VI. Exceptional Items</b>			
<b>VII. Profit before extraordinary items and tax (V - VI)</b>		904164115	375895944
<b>VIII. Extraordinary Items</b>		0	0
<b>IX. Profit before tax (VII - VIII)</b>		<b>904164115</b>	<b>375895944</b>
<b>X. Tax expense:</b>			
(1) Current tax		207507012	90874448
(2) Deferred tax		53259789	19356958
<b>XI. Profit(Loss) for the period from continuing operations</b>		643397314	265664538
<b>XV.I Profit from Associates</b>		24990132	2855366
<b>XII. Profit/(Loss) from discontinuing operations</b>		0	0
<b>XIII. Tax expense of discounting operations</b>		0	0
<b>XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)</b>		0	0
<b>XV. Profit/(Loss) for the period (XI + XIV)</b>		<b>668387446</b>	<b>268519904</b>
<b>XVI Minority Interest</b>		360125	360242
<b>XVII. Profit/(Loss) for the period (XV - XVI)</b>		<b>668027321</b>	<b>268159662</b>
<b>XVI. Earning per equity share:</b>			
(1) Basic		2.44	1.04
(2) Diluted		2.44	1.04

Significant Accounting Policies and Notes to Accounts Schedule

Notes to Financial Statement 29

As Per Our Report of Even Date

For **Akhil Rathi & Co.**  
Chartered AccountantsFor **Ganesh Adukia & Associates**  
Chartered Accountants

For and on Behalf of the Board

**Akhil Rathi**  
Proprietor  
NAGPUR  
M.NO-154788  
FRN NO-136954W**Ganesh Adukia**  
Proprietor  
Nagpur  
M.NO- 169737  
FRN NO-142238W**Nitin Khara**  
Managing Director  
DIN: 01670977**Elesh Khara**  
Director & CFO  
DIN : 01765620**Prity Bhabhra**  
Company Secretary  
Memb No. 52365

Date 20 May, 2019

# Consolidated Cash Flow Statement

## For the Year Ended 31 March, 2019



(Amount in ₹)

Particulars	As at 31.03.2019	As at 31.03.2018
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit before taxation</b>	<b>904164116</b>	<b>375895944</b>
Less : Minority Interest in Profits	(360125)	(360242)
	<b>903803991</b>	<b>375535702</b>
Depreciation	297953646	245017506
Misc. Expenditure W/off	575000	575000
Interest/Other Income	(40611787)	(19977019)
Interest Expenses	118946570	120896027
<b>Operating Profit before Working Capital Changes</b>	<b>1280667420</b>	<b>722047216</b>
Decrease / (Increase) in Trade & Other Receivables	44918727	(20353342)
Decrease / (Increase) in Inventories	(153621635)	(72850784)
Increase / (Decrease) in Current Liabilities	(228610770)	135838585
Cash Generated from Operations	943353742	764681675
Income Tax Paid	(260766802)	(110231405)
<b>Net Cash Generated from Operating Activities</b>	<b>682586940</b>	<b>654450270</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital Expenditure	(1386533536)	(632790154)
Net Assets of Newly Introduced companies	(36988773)	496416423
Investment in Subsidiaries During the year	(18802115)	(29712737)
Investment in Short term Bonds	(146297068)	0
Movement in Loans & Advances	31941611	(97355579)
Interest / Dividend Received	40611787	19977019
<b>Net Cash Used in Investing Activities</b>	<b>(1516068094)</b>	<b>(243465028)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Fresh Equity Shares Raised	804302000	0
Dividend Paid / Corporate Social Responsibility	(36037259)	(15529350)
Repayment of Long-Term Borrowing	224689411	(195052491)
Interest Expenses	(118946570)	(120896027)
<b>Net Cash Used in Financing Activities</b>	<b>874007582</b>	<b>(331477867)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>40526428</b>	<b>79507374</b>
<b>CASH &amp; CASH EQUIVALENTS AS AT THE BEGINNING OF YEAR</b>	<b>178458423</b>	<b>98951049</b>
<b>CASH &amp; CASH EQUIVALENTS AS AT END OF THE YEAR</b>	<b>218984851</b>	<b>178458423</b>

### Notes

- Cash Flow Statement has been prepared under the indirect method as set out in the Indian Accounting Standard (IND AS) 7 "Statement of Cash Flow".
- None of the Company has ceased to exist as subsidiary and 5 new Company with past track records have entered in consolidation in FY 2018-19 The existing net assets of these companies as on the effective dates are suitably given effect so as to show true & fair view of cash flows pertaining to current year.

As Per Our Report of Even Date

For **Akhil Rathi & Co.**  
Chartered Accountants

For **Ganesh Adukia & Associates**  
Chartered Accountants

For and on Behalf of the Board

**Akhil Rathi**  
Proprietor  
NAGPUR  
M.NO-154788  
FRN NO-136954W

**Ganesh Adukia**  
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Nagpur  
M.NO- 169737  
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Managing Director  
DIN: 01670977

**Elesh Khara**  
Director & CFO  
DIN : 01765620

**Prity Bhabhra**  
Company Secretary  
Memb No. 52365

Date 20 May, 2019

# Notes to Financial Statements

## For the Year Ended 31 March, 2019



### 1. SIGNIFICANT ACCOUNTING POLICIES

#### A. COMPANY OVERVIEW

Confidence Petroleum India Limited (the Company) is a BSE & NSE listed entity incorporated in India having registered, office at 701, Shivai Plaza Premises Chs. Ltd, Plot No 79, Marol Industrial Estate, Nr Mahalaxmi Hotel, Andheri East, Mumbai, Maharashtra -400059. The Company is one of leading manufacturers of LPG Cylinders in India along with its repairing activity, Company also is a prominent supplier of Auto LPG in India with its network of bottling plants and ALDS Stations across India, the Company is also into Parallel LPG Market by the name of pack cylinder division with GO GAS as its brand and is into selling LPG to both domestic and commercial users at competitive rates Further Company is also into bottling blending /marketing of LPG and also in its Logistic business

#### B. ACCOUNTING CONVENTION

The Financial Statements have been prepared on the historical cost basis. Further, the Company maintains its accounts in accrual basis accounting policies are consistently applied by the Company to all the period mentioned in the financial statements. The preparation of financial statements is in accordance with the Indian Accounting standard ('IND AS') notified under section 133 of the Companies Act, 2013 ("the Act") read with the Companies Indian Accounting standard Rules 2015 as amended.

##### Use of estimates

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates

could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in the future periods.

#### A) Current / Non-current classification:

An asset is classified as current when it satisfies any of the following criteria:

- (i) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- (ii) it is held primarily for the purpose of being traded;
- (iii) it is expected to be realized within twelve months after the reporting date; or
- (iv) it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non-current.

A liability shall be classified as current when it satisfies any of the following criteria:

- (i) it is expected to be settled in, the Company's normal operating cycle;
- (ii) it is held primarily for the purpose of being traded;
- (iii) it is due to be settled within twelve months after the reporting date; or
- (iv) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the opinion of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

#### B) Property Plant & Equipment

##### Tangible Assets

Tangible Assets are stated at cost net of recoverable taxes, trade discounts and rebates and include amounts added on revaluation, less accumulated

# Notes to Financial Statements

## For the Year Ended 31 March, 2019 (Contd.)

depreciation and impairment loss, if any. The cost of Tangible Assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets. Subsequent expenditures related to an item of Tangible Asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Projects under which assets are not ready for their intended use are disclosed under Capital Work-in-Progress.

Gain or losses arising from disposal of tangible assets are measured as the difference between the net disposal proceeds and the carrying amount of assets and are recognized in the statement of profit and loss when the assets is disposed.

### **Intangible Assets**

Intangible Assets acquired separately are recorded at cost at the time of initial recognition following initial recognition intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses

### **LEASES**

Determining whether an arrangement contains a lease

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in the arrangement.

Where the Company is a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to

ownership to the Company is classified as a finance lease.

Finance leases are capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term

Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

### **ASSET IMPAIRMENT**

Management Periodically assesses, using external and internal sources whether there is an indication that an asset may be impaired. An impairment is recognized whenever the carrying value of the asset exceeds its recoverable amount. Recoverable amount is higher of an assets net selling price and its value in use. An impairment loss, if any, is recognized in the Statement of profit & Loss in the period in which impairment takes place

### **FINANCE COSTS**

Borrowing costs that are directly attributable to the acquisition or construction of an asset that necessarily takes substantial period of time to get ready for its intended use are capitalized as a part of the cost of that asset till the date it is ready for its intended use or sale. Other borrowing costs are recognized as an expense in the period in which they incurred.

## **C) Depreciation and Amortization**

### **Tangible Assets**

Depreciation on Fixed Assets is provided to the extent of depreciable amount on the written down

# Notes to Financial Statements

## For the Year Ended 31 March, 2019 (Contd.)

value Method Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013

In respect of additions or extensions forming an integral part of existing assets and insurance spares, including incremental cost arising on account of translation of foreign currency liabilities for acquisition of Fixed Assets, depreciation is provided as aforesaid over the residual life of the respective assets.

Depreciation and amortization methods, useful lives and residual values are reviewed periodically, including at each financial year end.

### Intangible Assets

Intangible Assets with finite lives are amortized over useful economic life and assessed for impairment whenever there is a indication that the intangible assets may be impaired. The amortization period and amortization method for an intangible assets with a finite useful life are reviewed at the end of each reporting period.

### D) Investments

#### Investments in subsidiaries and associates

Investments in subsidiaries and associates are recognized at cost, less impairment loss (if any) as per Ind AS 27. Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable.

### E) Inventories

Inventories are valued as follows: (in accordance with IND AS 2)	
Raw materials	Lower of cost or net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on Weighted Average basis. Cost of raw materials comprises of cost of purchase (net of discount) and other cost in bringing the inventory to their present location and condition excluding Goods and Service Tax / Countervailing duty. Customs duty on stock lying in bonded warehouse is included in cost.
Work-in-progress and Finished goods	Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on Weighted Average basis.

### Other Investments

Long term investments including interest in incorporated jointly controlled entities, are carried at cost less impairment loss if any, after providing for any diminution in value, if such diminution is of permanent nature. Current investments are carried at lower of cost or market value. The determination of carrying amount of such investments is done on the basis of specific identification. Investments in integrated joint ventures are carried at cost net of adjustments for Company's share in profit or losses as recognized.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis.

Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between carrying amount and net disposal proceeds is charged or credited to the Profit and loss Statement.

# Notes to Financial Statements

## For the Year Ended 31 March, 2019 (Contd.)

### F) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

#### Sale of Goods /Services

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer. The Company collects Good and Service Tax / other taxes on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue.

#### Interest Income

- a) Interest income is recognized on a time proportion basis considering the carrying amount and the effective interest rate. Interest income is included under the head 'Other income' in the statement of profit and loss. Separate disclosure of Tax Deducted at Source has been made by the Company.

#### Dividends

Revenue is recognized when the Company's right to receive the dividend is established by the reporting date. Dividend income is included under the head 'Other income' in the statement of profit and loss.

### G) Foreign Currency Transactions

Foreign currency transactions are accounted at the exchange rates prevailing at the date of the transaction. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies, are recognized in the Profit and Loss Account.

Monetary Foreign Currency asset and liabilities at the year-end are translated at the year end exchange rates and the resultant exchange difference are recognized in profit and loss account statement.

### H) Retirement and other employee benefits

#### (i) Provident Fund

Provident fund is a defined contribution plan covering eligible employees. The Company and the eligible employees make a monthly contribution to the provident fund maintained by the Regional Provident Fund Commissioner equal to the specified percentage of the basic salary of the eligible employees as per the scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due. The Company has no obligation, other than the contribution payable to the provident fund.

#### (ii) Gratuity

Gratuity is a defined benefit obligation plan operated by the Company for its employees covered under the Company Gratuity Scheme. Since Company is having huge turnover of employee and further employees are appointed are also only of fixed term of 1 to 2 years hence liability gratuity does not arise and provided.

#### (iii) Leave encashment

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit for measurement purposes. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Re-measurements, comprising of actuarial gains and losses are recognized in full in the statement of profit and loss.

# Notes to Financial Statements

## For the Year Ended 31 March, 2019 (Contd.)

The Company presents the entire leave encashment liability as a current liability in the balance sheet, since employee is entitled to avail leave anytime and hence the Company does not have an unconditional right to defer its settlement for twelve months after the reporting date.

### I) Segment Reporting

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole. The Company prepares its segment information in conformity with accounting policies adopted for preparing and presenting the financial statements of the Company as a whole. In accordance with paragraph 4 of Ind AS 108- "Operating Segments" the Company has disclosed segment information only on basis of the consolidated financial statements which are presented together along with the standalone financial statements

### J) Cash & Cash Equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and Fixed Deposits both with and without Lien.

### K) Provisions

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates

### L) Taxes on Income

The Tax expense for the period comprises of current and deferred Income tax. Tax is recognized instatement of Profit & Loss, except to the extent

it relates to its items recognized in the Other Comprehensive Income or in equity. In which case, the tax is also recognized in other Comprehensive Income or Equity.

### i) Current Tax

Current Tax is asset and liabilities are measured at the amount expected to be recovered from or paid to the Income tax Authorities, based on tax rates and laws that are enacted at the Balance Sheet date.

### ii) Deferred Tax

Deferred Tax is recognized on temporary differences between the carrying amounts of the assets and liabilities in which the liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred Tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realized, based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

### Contingent liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.



# Notes to Financial Statements

## For the Year Ended 31 March, 2019 (Contd.)

### Financial Risk Management

Financial risk management objectives and policies The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Managing Board.

The Company has not made any foreign currency borrowings hence no risk is involved.

### Ageing of Account Receivables

Particulars	(Amount in ₹)	
	As at 31.03.2019	As at 31.03.2018
Debts Outstanding for a period exceeding six months	20066326	16546631
Others	556797601	605236023
<b>Total</b>	<b>576863927</b>	<b>621782654</b>

### Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time, or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risk are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The table below analyses the financial liability of the Company into relevant maturity groupings based on the remaining period from reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flow.

### Capital Risk Management

#### Risk Management

The Company's objectives when managing capital are to

- \* safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders.
- \* maintain an optimal capital structure to reduce the cost of capital

The Company monitors capital on the basis of the following debt equity ratio:

Particulars	(Amount in ₹)	
	As at 31.03.2019	As at 31.03.2018
Net Debt	1616741794	1409867868
Total Equity	<b>4131227398</b>	<b>2723786185</b>
<b>Debt / Equity</b>	039	0.51

# Notes to Financial Statements

## For the Year Ended 31 March, 2019 (Contd.)

### Dividend

The Company has paid dividends. Details of dividend paid are

Particulars	(Amount in ₹)	
	As at 31.03.2019	As at 31.03.2018
Interim Dividend Paid	27383500	12941750
Corporate Tax on Dividend	5628759	2587600

### Earnings Per Share (EPS)

Particulars	(Amount in ₹)	
	As at 31.03.2019	As at 31.03.2018
Net Profit After Tax	668027323	268159664
Weighted Average No of Shares	273835000	258835000
Nominal Value of Shares	1.00	1.00
Basic & Diluted Earnings per share	2.44	1.04

### Fair Value Measurement

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

Fair value of cash and short-term deposits, trade and other short-term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.

Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

Particulars	As at 31.03.2019			As at 31.03.2018		
	Carrying Amount	Level of Input used in Level -1	Level of Input used in Level -2	Carrying Amount	Level of Input used in Level -1	Level of Input used in Level -2
<b>Financial assets At amortized Cost</b>						
Investment	1468	-	-	1280	-	-
Trade Receivable	5768	-	-	6217	-	-
Cash & Cash Equivalent	2189	-	-	1784	-	-
<b>At FVTPL</b>						
Investment	1463	-	-	-	-	-
Other financial Assets	-	-	-	-	-	-
<b>At FVTOCI</b>						
Investment	-	-	-	-	-	-
Financial Liabilities	-	-	-	-	-	-
Borrowings	3954	-	-	5364	-	-
Trade Payable	2168	-	-	2853	-	-
Other Financial Liabilities including other Payable	673	-	-	2274	-	-

# Notes to Financial Statements

## For the Year Ended 31 March, 2019 (Contd.)

The Financial Instruments are categorized in two level based on the inputs used to arrive at fair value measurement as described below

**Level 1:** quoted (unadjusted) prices in active markets for identical assets or liabilities

**Level 2:** other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

### Recent accounting pronouncements

#### Standards issued but not effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Confidence Petroleum India Limited ("Company") financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

#### Ind AS 116 Leases

Ind AS 116 Leases replaces Ind AS 17 Leases, including appendices thereto and is effective for annual periods beginning on or after 1 April, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on – balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees' leases of "low-value" assets (e.g. personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognize a liability to make lease payments (i.e. the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e. the right-of-use asset). Lessees will be required to separately recognize the interest expense on the lease liability and the depreciation expense on the right-of –use asset

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g. a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognize the amount of the remeasurement of the lease liability as an adjustment the right-of-use asset.

Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases: operating and finance leases.

Ind AS 116, which is effective for annual periods beginning on or after 1 April, 2019, requires lessees and lessors to make more extensive disclosures than under Ind AS 17.

The Company will adopt Ind AS 116 from financial year beginning 1 April, 2019. On adoption, the Company expects to recognize lease liabilities with corresponding ROU assets for certain leases where the Company is a lessee. The single lessee accounting model of Ind AS 116 will result in a front-loaded lease expense pattern. While the Company continues to evaluate certain aspects of Ind AS 116, it does not expect Ind AS 116 adoption to have a material effect on its financial statements.

The Company is analyzing potential changes to the current accounting practices and are in the process of implementing the same in connection with the adoption of Ind AS 116.

In addition to Ind AS 116, the MCA has also notified the following changes which are effective from financial year beginning 1 April. The Company will adopt these changes from the date effective however, the adoption of these changes is unlikely to have any impact

# Notes to Financial Statements

## For the Year Ended 31 March, 2019 (Contd.)

on the financial statements

Appendix C to Ind AS 12 Uncertainty over  
Income Tax Treatment

Amendments to Ind AS 109: Prepayment  
Features with Negative Compensation

Amendments to Ind AS 19: Plan Amendment,  
Curtailement or Settlement

Amendments to Ind AS 28: Long -term  
interests in associates and joint ventures

Annual Improvement to Ind AS (2018)

These Improvements include:

- Amendments to Ind AS 103 : Party to a  
Joint Arrangements obtains control of a  
business that is a Joint Operation
- Amendments to Ind AS 111 : Joint  
Arrangements
- Amendments to Ind AS 12 : Income Taxes
- Amendments to Ind AS 23 : Borrowing  
Costs



# Notes to Financial Statements

## For the Year Ended 31 March, 2019 (Contd.)

### 1. PROPERTY, PLANT AND EQUIPMENT, CAPITAL WORK-IN-PROGRESS

Block Head	ASSETS				DEPRECIATION				NET BLOCK	
	Opening Balance	Addition 18-19	Sale/Adj	Total Value	During the Year		Upto 31/03/2018	Upto 31/03/2019	AS ON	AS ON
					On Assets whose Life has Expired	Other Assets				
FREE HOLD LAND	225257564	105680593	0	330838157	0	0	0	0	330838157	225257564
LEASE HOLD LAND	60373572	0	0	60373572	31551359	3899633	0	35450992	24922580	28822213
OFFICE BUILDING	26901199	27519579	0	54420778	5676222	1812704	0	7488926	46931851	21224977
FACTORY BUILDING	1248908361	110214144	0	1359122505	447765605	45815828	0	493581433	865541072	801142756
PLANT AND MACHINERY	2196308930	906874507	54522292	3048661145	1207717883	177600703	0	1385318586	1663342559	988591047
ELECTRICAL INSTALLATION	159191340	307602	0	159498942	91296631	519900	0	91816531	67682411	67894709
VEHICLE	70352453	2318411	0	72670864	42699856	4792523	0	47492379	25178485	27652597
HEAVY VEHICLE	112618331	69083682	0	181702013	56644900	14569071	0	71213971	110488042	55973431
FURNITURE & FIXTURES	16867228	577799	0	17445027	14832092	768930	0	15601022	1844005	2035136
COMPUTER	23703684	4276484	24407	27955761	17152160	3642985	0	20795145	7160616	6551524
OFFICE EQUIPMENT	8046909	2035540	0	10082449	5580470	636909	0	6217379	3865070	2466439
CYLINDERS	521554239	249825502	0	771379741	318510750	43894458	0	362405208	408974534	203043489
<b>TOTAL</b>	<b>4670083810</b>	<b>1478613844</b>	<b>54546699</b>	<b>6094150955</b>	<b>2239427928</b>	<b>297953645</b>	<b>0</b>	<b>2537381573</b>	<b>3556769382</b>	<b>2430655882</b>
WIP Project	233890029	23945605	61479215	196356419	0	0	0	0	196356419	233890029
<b>TOTAL</b>	<b>4903973839</b>	<b>1502559448</b>	<b>116025914</b>	<b>6290507373</b>	<b>2239427928</b>	<b>297953645</b>	<b>0</b>	<b>2537381573</b>	<b>3753125800</b>	<b>2664545911</b>

(Amount in ₹)

# Notes to Financial Statements

## For the Year Ended 31 March, 2019 (Contd.)

### 2. INVESTMENTS IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

(Amount in ₹)

Particulars	Face Value	As at 31.03.2019	As at 31.03.2018
National Saving Certificate		17000	17000
Shares of Tirupati Bank		1262505	1262505
- Investment in Partnership Business of M/s Bangalore Go Gas		1250000	1250000
- Investment in Partnership Business of M/s Sneha Petroleum, Bangalore		27254995	27254995
- Investment in Partnership Business of M/s North East Cylinders		5000000	5000000
- Investment in Indian Auto Gas Ltd.		225000	0
- Investment in Garg Distillaries Pvt. Ltd.		18611855	26329855
- Shares in The Shamrao Vithal Cooperative Bank		63830	63830
- Investment in Karad Merchant Bank		10000	10000
- Investments in Quoted Mutual Fund		1000000	1000000
- Investments in Unquoted Mutual Fund		2110431	2110431
- Investments in Unquoted Shares		19800000	16383590
<b>(a)</b>		<b>76605616</b>	<b>80682206</b>
<b>In Equity Shares of Subsidiaries</b>			
- 100% holding in Shares of Hemkunt Petroleum Ltd	10	1230000	0
- 100% holding in Shares of Taraa LPG Bottling Pvt. Ltd	100	100000	100000
- 100% holding in Shares of Agwan Coach Pvt. Ltd.	10	1000000	1000000
- 100% holding in Shares of Gaspoint Bottling Pvt. Ltd.	10	9800000	0
- 100% holding in Shares of Confidence Go Gas Ltd.	100	500000	500000
- 100% holding in Shares of Keppy Infrastructure Developers Pvt. Ltd.	10	100000	100000
- 100% holding in Shares of Unity Cylinders Equipmnt P Lt d	10	100000	100000
- 100% holding in Shares of Confidence Technologies Pvt. Ltd.	10	100000	100000
- 100% holding in Shares of SV Engineering Pvt. Ltd.	10	48188000	0
- 50% holding in Shares of Chhatisgarh Gaspoint Bottling Pvt. Ltd.	10	3900000	450000
- 50% holding in Shares of Nine Infra Projects Pvt. Ltd.	10	250000	250000
- 75% holding in Shares of Blue flame Industries Pvt. Ltd.	10	13350000	50000
- 50% holding in Shares of Papusha Gases Pvt Ltd	10	50000	0
- 50% holding in Shares of Jaypore Blueflames Pvt. Ltd.	10	50000	50000
- 50% holding in Shares of Suraj Cylinders Pvt. Ltd.	10	1025000	1025000
- 52% holding in Shares of Confidence Futuristic Energetech -Ltd.	10	22983370	22983370
<b>(b)</b>		<b>102726370</b>	<b>26708370</b>

# Notes to Financial Statements

## For the Year Ended 31 March, 2019 (Contd.)

(Amount in ₹)

Particulars	Face Value	As at 31.03.2019	As at 31.03.2018
<b>In Joint Venture</b>			
- 70% holding in Investment In Pt Surya Go Gas Indonesia		161361017	161361017
- 50% holding in Partnership Business of M/s Deshmukh Go Gas		150000	2976712
- 50% holding in Partnership Business of M/s Jaiswal Go Gas		0	5117928
- 50% holding in Partnership Business of M/s Kasturi Go Gas		0	823606
- 50% holding in Partnership Business of M/s Kaveri Go Gas		79908	79908
- 50% holding in Partnership Business of M/s Mahendra Go Gas		535840	2562771
- 50% holding in Partnership Business of M/s Nikita Go Gas		0	1285483
- 50% holding in Partnership Business of M/s Parsmi Go Gas		0	76563
- 50% holding in Partnership Business of M/s Puhraj Go Gas		0	258530
- 50% holding in Partnership Business of M/s Sagar Go Gas		0	527332
- 50% holding in Partnership Business of M/s Sagle Go Gas		200000	3214660
- 50% holding in Partnership Business of M/s Shivdhan Go Gas		150000	2553150
- 50% holding in Partnership Business of M/s Shree Ganesh Go Gas		0	849075
- 50% holding in Partnership Business of M/s Shri Gajanan Go Gas		2606551	2606551
- 50% holding in Partnership Business of M/s Surya Go Gas		200000	516506
- 50% holding in Partnership Business of M/s Vision Go Gas		0	2492290
- 50% holding in Partnership Business of Bangalore Go Gas		2351739	650258
- 50% holding in Partnership Business of Smart Go Gas		700000	600000
- 50% holding in Partnership Business of Neha Go Gas		2689988	0
- 50% holding in Partnership Business of KR Go Gas		400000	0
- 50% holding in Partnership Business of Sai Balaji Go Gas		2788500	0
- 50% holding in Partnership Business of Aishwarya Go Gas		100000	0
- 50% holding in Partnership Business of Manas Go Gas		35000	0
- 50% holding in Partnership Business of Sarvam Enterprise		750000	0
- 50% holding in Partnership Business of Surbhi Go Gas		100000	0
- 50% holding in Partnership Business of NR GO Gas Corp		1500000	0
- 50% holding in Partnership Business of Fast GO Gas LLP		1263200	0
- profit from share jodo		0	0
- Investment in PT Indo Go Gas Andalan Kita Indonesia		13092879	16231384
- Investment in PT.Patra Trading Depot Cikkanpek		0	8472878
<b>(c)</b>		<b>191054622</b>	<b>213256602</b>
<b>TOTAL (a+b+c)</b>		<b>370386608</b>	<b>320647178</b>
s : Investment in Subsidiaries for which shares has been issued		223541315	192604000
<b>Net Investments</b>		<b>146845293</b>	<b>128043178</b>

# Notes to Financial Statements

## For the Year Ended 31 March, 2019 (Contd.)

### 3. LOANS / ADVANCES GIVEN:

(Amount in ₹)

Particulars	As at 31.03.2019	As at 31.03.2018
Advances Given	20385831	120765815
Deposits and Recoverable	213649355	160295952
<b>Total</b>	<b>234035186</b>	<b>281061767</b>

### 4. OTHER NON CURRENT ASSETS

(Amount in ₹)

Particulars	As at 31.03.2019	As at 31.03.2018
Advance Payment of Taxes	56980146	41895170
<b>CURRENT ASSETS</b>	<b>56980146</b>	<b>41895170</b>

### 5. INVENTORIES

(Amount in ₹)

Particulars	As at 31.03.2019	As at 31.03.2018
<b>At Lower of Cost or Net Realizable Value (As Valued, Verified &amp; certified by the Management)</b>		
- Raw Materials	126295237	80967184
- Work in Progress	295457860	275472393
- Finished Goods	76737437	74414598
Components	12595352	12267691
Consumables	14778105	13590574
Stores and Spares	2921251	2857528
LPG	234144104	146672916
Scrap	4484583	7549409
Loose Tools	216006	216006
<b>TOTAL</b>	<b>767629935</b>	<b>614008299</b>

### 6. INVESTMENTS:

(Amount in ₹)

Particulars	As at 31.03.2019	As at 31.03.2018
Short Term Investment in LIC Housing Finance	146297068	0
<b>TOTAL</b>	<b>146297068</b>	<b>0</b>

# Notes to Financial Statements

## For the Year Ended 31 March, 2019 (Contd.)

### 7. TRADE RECEIVABLES

(Amount in ₹)

Particulars	As at	As at
	31.03.2019	31.03.2018
Receivables (Unsecured, considered good)	574351475	621782656
Receivables from related parties (refer note 29 point no. 14)	2512452	
<b>TOTAL</b>	<b>576863927</b>	<b>621782656</b>

### 8. CASH AND CASH EQUIVALENTS

(Amount in ₹)

Particulars	As at	As at
	31.03.2019	31.03.2018
Cash in Hand (Refer to Note No. 13 of Notes to accounts in Schedule 27)	43053794	9771021
	<b>43053794</b>	<b>9771021</b>
<b>Balances With Banks :</b>		
In Current Account	59934802	82275232
<b>In Fixed Deposit Account</b>		
Fixed Deposit Account Without Lien		
F.D.R. (Against L/C B/G Margin Money /Others)	115996256	86412170
	<b>175931057</b>	<b>168687402</b>
<b>Total Cash &amp; Bank Balance</b>	<b>218984851</b>	<b>178458423</b>
<b>(Balance in current account includes ₹ 421594/- as unclaimed Divided for financial Year 2017-18)</b>		

### 9. OTHER FINANCIAL ASSETS

(Amount in ₹)

Particulars	As at	As at
	31.03.2019	31.03.2018
Advances recoverable in cash or kind or for value to be received	22177925	27788604
Deposits and Recoverable	257672136	187098761
	<b>279850062</b>	<b>214887365</b>

### 10. OTHER CURRENT ASSETS

(Amount in ₹)

Particulars	As at	As at
	31.03.2019	31.03.2018
Miscellaneous Expenditure (To the extent not Written off or adjusted )	1725000	2300000
Less : Written off during the year	(575000)	(575000)
Other Current Assets	17337792	13303020
	<b>18487792</b>	<b>15028020</b>

# Notes to Financial Statements

## For the Year Ended 31 March, 2019 (Contd.)

### 11. EQUITY

(Amount in ₹)

Particulars	As at 31.03.2019	As at 31.03.2018
<b>SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
35 75 00 000 Equity Shares of ₹ 1/- each	357500000	307500000
<b>ISSUED SUBSCRIBED and PAID UP</b>		
Equity Shares of ₹ 1/- each at the beginning of the Year	258835000	258835000
Shares Issued during the Year	15000000	0
27 38 35 000 Equity Shares of ₹ 1/- each	273835000	258835000
<b>TOTAL</b>	<b>273835000</b>	<b>258835000</b>

- i) 10,00,00,000 shares fully paid were issued pursuant to the scheme of amalgamation dated 11 August, 2006 for considerations otherwise than cash. The amalgamation order from Honorable Mumbai High Court has amalgamated erstwhile Confidence
- ii) 5,00,00,000 shares fully paid were issued pursuant conversion of Warrants on 13 June, 2007.
- iii) 5,45,85,000 Shares fully paid were issued pursuant to issue of GDR on 11 January, 2008.
- iv) 17 50 000 shares fully paid were issued pursuant to the scheme of amalgamation dated 18 September, 2009 for considerations otherwise than cash
- v) 1,50 00, 000 shares fully paid were preferentially allotted @52 each on 25/07/2018 as per approval received from Bombay Stock Exchange

#### (I)(b)

#### Details of Shares Holders holding more than 5%

(Amount in ₹)

Sr. No.	Name of the shareholder	Total shares held -2019		Total shares held -2018	
		Number of shares	As a % of total holding	Number of shares	As a % of total holding
1	Nitin P Khara	23532987	8.59	23395637	9.04
2	Gaspoint Petroleum I Ltd	66387160	24.24	66210598	25.58

### 12. OTHER EQUITY

(Amount in ₹)

Particulars	As at 31.03.2019	As at 31.03.2018
<b>Securities Premium Account</b>		
As per last Balance Sheet	1727112706	937810706
<b>(a)</b>	<b>1727112706</b>	<b>937810706</b>
<b>Capital Subsidy Reserves</b>		
As per last Balance Sheet	2950000	2750000
<b>(b)</b>	<b>2950000</b>	<b>2750000</b>

# Notes to Financial Statements

## For the Year Ended 31 March, 2019 (Contd.)

(Amount in ₹)

Particulars	As at 31.03.2019	As at 31.03.2018
<b>General Reserve</b>		
As per last Balance Sheet	14524000	14524000
<b>(c)</b>	<b>14524000</b>	<b>14524000</b>
<b>Revaluation Reserve</b>		
As per last Balance Sheet	103239308	103239308
<b>(d)</b>	<b>103239308</b>	<b>103239308</b>
<b>Surplus in Profit and Loss Account</b>		
As per account annexed	1959021624	1336580519
<b>(e)</b>	<b>1959021624</b>	<b>1336580519</b>
Less : Interim Dividend Paid @ 10% /5% in 2018-19 & 2017-18	(27383500)	(12941750)
Less : Corporate Dividend Tax on Interim Dividend	(5628759)	(2587600)
Less : Corporate Social Responsibility	(3025000)	0
<b>(f)</b>	<b>(36037259)</b>	<b>(15529350)</b>
<b>TOTAL (a+b+c+d+e+f)</b>	<b>3770810379</b>	<b>2379375183</b>
Less : Non-Controlling Interest	125145363	108335897
<b>Net Total</b>	<b>3645665016</b>	<b>2271039286</b>

(Amount in ₹)

Particulars	As at 31.03.2019	As at 31.03.2018
<b>NON CONTROLLING INTEREST:</b>		
Interest in Capital	86582020	85576000
Interest in Profits	125145363	108335897
<b>(a)</b>	<b>211727383</b>	<b>193911897</b>

### 13. FINANCIAL LIABILITIES :

(Amount in ₹)

Particulars	As at 31.03.2019	As at 31.03.2018
1) Term Loans From - Banks	163747864	122964732
From Corporates	195715699	174623758
From SICOM Limited (Interest Free)	10612304	10612304
(Under Deferral Package Scheme of Incentive 1993.		
<b>TOTAL</b>	<b>370075867</b>	<b>308200794</b>

- i) ₹ 0.80 Crores Are secured with Bank of India, Gandhibag. (Of which ₹ 0.10 Crores is repayable within one year) against Property located at Plot No. 1 Mahendra Nagar, Teka Naka, Kamptee Road, Nagpur, and personal guarantee of Shri Nitin Khara
- ii) ₹ 10.89 Crores Are secured with the AXIS Bank Ltd. / BMW financial Service/ Kotak Bank/ Merceddez Financial Services (Of which ₹ 1.74 Crores is repayable in within one year) against Vehicles /Generators / Specific Equipments financed and personal guarantee of Shri Nitin Khara

# Notes to Financial Statements

## For the Year Ended 31 March, 2019 (Contd.)

- iii) ₹ 2.04 Crores Are secured with the CANARA Bank Ltd. Against Land Building Plant & Machinery located at Dhanbad against Vehicles /Generators / Specific Equipments financed and personal guarantee of Shri Nitin Khara
- iv) ₹ 3.04 Crores Are secured with the Allahabad Bank Ltd and Pvt Finance. Against Land Building Plant & Machinery located at Siliguri against Vehicles /Generators / Specific Equipments financed and personal guarantee of Shri Nitin Khara

### 14. OTHER LONG TERM LIABILITIES

(Amount in ₹)

Particulars	As at	
	31.03.2019	31.03.2018
Deposit Received against Cylinders	850524505	546768775
Un-claimed Divided	747124	421594
From Others	0	34759710
From Corporate	0	12526763
<b>TOTAL</b>	<b>851271629</b>	<b>594476842</b>

- 1) These deposits have been received against LPG Cylinders given to dealers and distributors for filling gases and is refundable subject to allowance of wear and tear to them on their return.

### 15. DEFERRED TAX LIABILITIES :

(Amount in ₹)

Particulars	As at	
	31.03.2019	31.03.2018
<b>1) Related to Fixed Assets</b>		
Opening Balance	113320963	96149631
Add : Opening Deferred Tax of New Companies	425116	(2185626)
<b>Revised Opening Balance</b>	113746079	93964005
Additions during the year	53259789	19356958
Closing Balance	167005868	113320963
<b>TOTAL</b>	<b>167005868</b>	<b>113320963</b>

### 16. SHORT TERM BORROWINGS :

(Amount in ₹)

Particulars	As at	
	31.03.2019	31.03.2018
1) Secured Working Capital Loans from Banks & Others	376953502	479286984
	96398	23519048
<b>TOTAL</b>	<b>377049900</b>	<b>502806032</b>

# Notes to Financial Statements

## For the Year Ended 31 March, 2019 (Contd.)

- i) ₹ 19.68 Crores Secured against charge With ICICI Bank Ltd. by way of charge on the Company's entire stocks of raw materials, semi – finished and finished goods, consumable stores and spares and such other movables including book – debts, bills whether documentary or clean, outstanding monies, receivables, both present and future, in a form and manner satisfactory to the Bank ranking pari-passu with the other participating bank along with equitable mortgage of land and building situated at Khasra No.(Survey No.) 209, Rampur road, Bazpur, Dist. Uddhamsinghnagar, Uttranchal , Plot no. 49, A.P. SEZ, village Achutapuram, Dist. Vishakhapatnam, Andhra Pradesh. Survey no. 338, Post Noorpura, Village and Taluka Halol, District Panchmahal, Kh. No. 82 (old) 82/1 (new) along with Factory Shed thereon admeasuring situated at Mouza Ringnabodi, Taluka Katol, Dist. Nagpur, Property on Khata No. 00070 Khasra No. 217 area 10832 Sq. Mt. & Khata No.00071 Khasra No. 215 area 6545 Sq. Mt. Total area 17377 Sq. Mt. Situated at Revenue Village Puramana Tehsil Kiraoli District Agra U.P and personal guarantee of directors of the Company i.e. Shri Nitin Khara and Shri Elesh Khara
- ii) ₹ 10.29 Crores Secured against charge With Central Bank of India, LIC Sq. Nagpur for hypothecation of Property situated at Kh No. 60 & 61 Mauza Buruzwada Saoner Road, Nagpur and charge over stock of Raw Material, Consumable, Finished goods, Work in Process, Books debts and personal guarantee of the Directors of the Company i.e. Shri Nitin Khara and Shri Elesh Khara
- iii) ₹ 1.24 Crores Secured against charge With Canara Bank Govindpur for hypothecation of Property situated Dhanbad and charge over stock of Raw Material, Consumable, Finished goods, Work in Process, Booksdebts and personal guarantee of the Directors of the Company i.e. Shri Nitin Khara and Shri Elesh Khara
- iv) ₹ 6.48 Crores Secured against charge With Allahabad Bank Siliguri for hypothecation of Property situated Dhanbad and charge over stock of Raw Material, Consumable, Finished goods, Work in Process, Book debts and personal guarantee of the Directors of the Company i.e. Shri Nitin Khara and Shri Elesh Khara

### 17. TRADE PAYABLES

(Amount in ₹)		
Particulars	As at 31.03.2019	As at 31.03.2018
Micro, Small & Medium Enterprises	0	0
Creditors for Goods and Expenses	216781669	285282506
<b>TOTAL</b>	<b>216781669</b>	<b>285282506</b>

7.1 The details of amounts outstanding to Micro, Small and Medium Enterprises based on information available with the Company is as under:

(Amount in ₹)		
Particulars	As at 31.03.2019	As at 31.03.2018
Principal amount due and remaining unpaid	-	-
Interest due on above and the unpaid interest	-	-
Interest paid by the buyer in terms of section 16 of the MSME Act, 2006	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

# Notes to Financial Statements

## For the Year Ended 31 March, 2019 (Contd.)

The disclosure required in balance sheet in view of amendment in Schedule – to the Companies Act, 2013 vide notification No. GSR-129(E) dated 22-02-99 as to the names of Small Scale Industrial undertaking to whom the Company owes a sum exceeding ₹ 1.00 Lacs outstanding for more than one month and as to total outstanding dues of such undertakings at the date of Balance Sheet are not possible to make, as the information as to whether the creditors are small industrial undertaking or not, is not available from most of the creditors till the date of finalization of the accounts.

### 18. OTHER FINANCIAL LIABILITIES :

(Amount in ₹)

Particulars	As at	As at
	31.03.2019	31.03.2018
Term Loans Installments Payable within one year	18344398	4284193
<b>TOTAL</b>	<b>18344398</b>	<b>4284193</b>

### 19. OTHER CURRENT LIABILITIES :

(Amount in ₹)

Particulars	As at	As at
	31.03.2019	31.03.2018
Other Liabilities	44642170	125544980
<b>TOTAL</b>	<b>44642170</b>	<b>125544980</b>

\*Includes Advances from Customers & Statutory dues

### 20. PROVISIONS

(Amount in ₹)

Particulars	As at	As at
	31.03.2019	31.03.2018
Provision for Expenses	22701162	102008297
<b>TOTAL</b>	<b>22701162</b>	<b>102008297</b>

### 21. SALES AND OPERATIONAL INCOME

(Amount in ₹)

Particulars	As at	As at
	31.03.2019	31.03.2018
Sale of Cylinders /Raw Material/ Project / Scrap/Others	3539016102	2412132653
Sale of LPG and Auto LPG/ Filling /DPT / Transport Charges	6506283782	3738870171
	<b>10045299884</b>	<b>6151002824</b>
Less : Excise Duty / Service Tax Recovered	0	83511313
<b>TOTAL</b>	<b>10045299884</b>	<b>6067491511</b>

# Notes to Financial Statements

## For the Year Ended 31 March, 2019 (Contd.)

### 22. OTHER INCOME

(Amount in ₹)

Particulars	As at 31.03.2019	As at 31.03.2018
Interest Income	31804677	12060400
(TDS on Interest Income Cy. ₹ 554685/- & PY ₹ 242635/)		7916618
Interest Income	8807110	0
Dividend Received	0	289681
Miscellaneous Receipts	4817720	7557068
Rebates and Discount	1304134	3754053
<b>TOTAL</b>	<b>46733641</b>	<b>31577820</b>

### 23. COST OF GOODS CONSUMED / SOLD RAW MATERIAL CONSUMED :

(Amount in ₹)

Particulars	As at 31.03.2019	As at 31.03.2018
Opening Stock	83895810	76839743
Add : Opening Stock of new Companies added	12946151	0
Revised Opening Stock	96841961	76839743
Add : Purchases	2325496589	1290146660
<b>Less :-</b>		
Discount Received	50841317	43715166
<b>Closing Stock</b>	<b>113445331</b>	<b>83895810</b>
<b>SUBTOTAL (A)</b>	<b>2258051902</b>	<b>1239375428</b>
<b>COMPONENTS / CONSUMABLES CONSUMED :</b>		
Opening Stock	25794619	28046211
Add : Opening Stock of new Companies added	851542	
Revised Opening Stock	26646161	28046211
Add : Purchases	611529622	431351629
<b>Less :-</b>		
<b>Closing Stock</b>	<b>28688857</b>	<b>25794619</b>
<b>SUBTOTAL (B)</b>	<b>609486926</b>	<b>433603221</b>
<b>TOTAL (A+B)</b>	<b>2867538828</b>	<b>1672978649</b>

# Notes to Financial Statements

## For the Year Ended 31 March, 2019 (Contd.)

### 24. PURCHASE OF STOCK-IN-TRADE

(Amount in ₹)

Particulars	As at 31.03.2019	As at 31.03.2018
<b>LPG CONSUMED :</b>		
Purchases of LPG/Other Materials	4598302279	2837627466
<b>TOTAL</b>	<b>4598302279</b>	<b>2837627466</b>

### 25. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-T

(Amount in ₹)

Particulars	As at 31.03.2019	As at 31.03.2018
<b>INCREASE IN STOCKS</b>		
<b>Opening Stock</b>		
Finished Goods	74414597	69318681
Work in Progress	275472393	226422222
LPG	148862452	135372954
Scrap	5359873	3617311
<b>SUBTOTAL</b>	<b>504109315</b>	<b>434731168</b>
<b>Add /( Less )Opening Stock of New Company Added</b>	39201463	0
<b>Revised Opening Stock</b>	<b>543310778</b>	<b>434731168</b>
<b>LESS :</b>		
<b>Closing Stock</b>		
Finished Goods	75823237	74414598
Work in Progress	284924680	275472393
LPG	234079872	148862452
Scrap	4484583	5359873
<b>SUBTOTAL</b>	<b>599312372</b>	<b>504109315</b>
<b>INCREASE / (DECREASE) IN STOCKS</b>	<b>(56001594)</b>	<b>(69378148)</b>

### 26. EMPLOYEES BENEFITS

(Amount in ₹)

Particulars	As at 31.03.2019	As at 31.03.2018
Salary and Wages including PF and Others	325656055	215794047
Staff and Labor Welfare	3906821	4220927
<b>TOTAL</b>	<b>329562876</b>	<b>220014974</b>

# Notes to Financial Statements

## For the Year Ended 31 March, 2019 (Contd.)

### 27. INTEREST AND FINANCIAL CHARGES :

(Amount in ₹)

Particulars	As at 31.03.2019	As at 31.03.2018
Interest to Bank on Term Loan	10398348	13653612
Interest to Bank on W/C and others	85062197	99775034
Bank Charges, LC Charges, Mortgage and Registration Charges	13723025	7467382
<b>TOTAL</b>	<b>109183570</b>	<b>120896027</b>

### 28. OPERATING AND OTHER EXPENSES

(Amount in ₹)

Particulars	As at 31.03.2019	As at 31.03.2018
<b>Operating Expenses</b>		
<b>Factory expenses</b>		
- Power and Fuel	88607772	50380901
- Plant Licenses and other Exp.	32001168	33459594
- Carriage Inward	135091537	187017649
- Job Work Charges	198917013	114548660
- Testing and Marking Fees	6995220	8344812
- Explosive Expenses	356200	43850
- Diesel exp.	1576718	904900
<b>Repair and Maintenance</b>	0	
- Plant and Machinery	11905123	8003324
- Others	8298472	4624418
<b>Sub total (a)</b>	<b>483749223</b>	<b>407328108</b>
<b>Administration Expenses</b>		
Rent, Rates and Taxes	1326231	1545310
Printing and Stationery	1149467	1106031
Remuneration to Auditors	772000	680000
Rental & Site Expenses	162065606	98407737
Security Charges	12556940	7159210
Insurance Expenses	3325236	2155122
Carriage Outward	130296578	94998485
Travelling Expenses	30444609	15567131
Service Tax and WCT paid	0	117434
Remuneration to Directors	15000000	7500000
Miscellaneous Expenses	7590686	5498168
LD Charges	62250205	12028643
Communication Expenses	4195233	2016517
Legal and Professional Charges	27499804	11219471
Filing Fees Roc and others	6341326	4232041
Advertising and Sales Promotion	86337954	9482606

# Notes to Financial Statements

## For the Year Ended 31 March, 2019 (Contd.)

(Amount in ₹)

Particulars	As at	As at
	31.03.2019	31.03.2018
Vehicle Expenses	5222707	14399744
Preliminary Expenses Written off/Amalgamation Exp.W/off	575000	575000
Other Administrative Exp.	631000	155
<b>Sub total (b)</b>	<b>557580582</b>	<b>288688805</b>
<b>TOTAL (a+b)</b>	<b>1041329805</b>	<b>696016913</b>

### SIGNIFICANT ACCOUNTING POLICIES TO THE CONSOLIDATED BALANCE SHEET AND STATEMENT OF PROFIT AND LOSS

#### 1. Principles of consolidation

The consolidated financial statements relate to Confidence Petroleum India Ltd. ('the Company') and its subsidiary companies. The consolidated financial statements have been prepared on the following basis:

- The Profit & Loss accounts of the subsidiaries namely M/s Confidence Go Gas Limited, M/s Gaspoint Bottling Pvt Ltd, M/s Unity Cylinders Pvt Ltd, M/s Confidence Technologies Private Limited, M/s Agwan Coach Private Limited, M/s Keppy Infrastructure Developers Private Limited, M/s Hemkunt Petroleum Limited, M/s Nine Infra Projects Private Limited, M/s Chhatisgarh Gaspoint Bottling Private Limited, M/s Papusha Gaspoint Private Limited, M/s Blueflame Petroleum Private Limited, M/s Confidence Futuristic Energetek Limited, M/s Tarea LPG Bottling Private Limited, M/s PT Surya Go Gas Indonesia. During the Year Company further acquired and Consolidated M/s Sneha Petroleum, M/s North East Cylinders, M/s Blue flame Industries Limited, M/s SV Engineering Pvt Ltd
  - The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.
  - As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.
- Investments other than in subsidiaries and associates have been accounted as per Accounting Standard (AS)13 on "Accounting for Investments".
  - Other significant accounting policies These are set out under "Significant Accounting Policies" as given in the Unconsolidated Financial Statements of Confidence Petroleum India Ltd. and its subsidiaries.
  - No Provision has been made in respect of liabilities towards retirement benefits under mandatory Accounting Standard - 15, amount not ascertainable.
  - Previous year figures have been regrouped/reclassified wherever necessary to make them comparable with current year figures.
  - Notes 1 to 27 has been signed by the Directors and Auditors and forms an integral part of the Balance Sheet and Profit and Loss Account.

As Per Our Report of Even Date

For **Akhil Rathi & Co.**  
Chartered Accountants

**Akhil Rathi**  
Proprietor  
NAGPUR  
M.NO-154788  
FRN NO-136954W

Date 20 May, 2019

For **Ganesh Adukia & Associates**  
Chartered Accountants

**Ganesh Adukia**  
Proprietor  
Nagpur  
M.NO- 169737  
FRN NO-142238W

For and on Behalf of the Board

**Nitin Khara**  
Managing Director  
DIN: 01670977

**Elesh Khara**  
Director & CFO  
DIN : 01765620

**Prity Bhabhra**  
Company Secretary  
Memb No. 52365



[Pursuant to Section 105 (6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

**CONFIDENCE PETROLEUM INDIA LIMITED**

Regd. Office: 701, Shivai Plaza Premises CHS Ltd, Plot No. 79,  
Marol Industrial Estate, Nr. Mahalaxmi Hotel, Andheri East, Mumbai-400059  
Tel: 0712-3250318 E-mail: [cs@confidencegroup.co](mailto:cs@confidencegroup.co)  
CIN No.: L40200MH1994PLC079766

**25th ANNUAL GENERAL MEETING – 30 SEPTEMBER, 2019**

Name of Member(s)	:	
Registered Address	:	
Email ID	:	
Folio No. / DP ID – Client ID	:	

I / We, being the member(s) of \_\_\_\_\_ shares of the above named Company, hereby appoint:

1) Name: \_\_\_\_\_ E Mail: \_\_\_\_\_  
Address: \_\_\_\_\_

\_\_\_\_\_  
Signature \_\_\_\_\_ Or failing him / her

2) Name: \_\_\_\_\_ E Mail: \_\_\_\_\_  
Address: \_\_\_\_\_

\_\_\_\_\_  
Signature: \_\_\_\_\_ Or failing him / her

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the 25th Annual General Meeting of the Company to be held on Monday, 30 September, 2019 at 2.30 p.m. at "Dragonfly Hotel, New Chakala Link Road, Opposite Solitaire Corporate Park, Near JB Nagar Gurudwara, Andheri (East), Mumbai – 400093" and at any adjournment thereof in respect of such resolutions as are indicated below:

Res. No.	Resolution	Optional	
		For	Against
<b>Ordinary Business</b>			
1	Adoption of Balance Sheet, Statement of Profit and Loss and the Reports of the Board of Directors and Auditors thereon for the financial period ended on 31 March, 2019		
2	Re-Appointment of Director Mr. Elesh Khara, who retires by rotation and being eligible offers himself for re-appointment		
<b>Special Business</b>			
3	Ratification of Cost Auditor's Remuneration		
4	Re-appointment of Mr. Sumant Sutaria as an Independent Director.		
5	Re-Appointment and Remuneration of Managing Director & CEO		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2019

Affix Revenue stamp not less than ₹ 0.15

**Signature of the member**

**Signature of the Proxy Holder(s)**

**NOTE:**

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 25th Annual General Meeting.
- It is optional to put a 'X' in the appropriate column against the Resolution indicated in the Box. If you leave the 'For' and 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/ she think appropriate.
- Please complete all details including detail of member(s) in above box before submission.





**CONFIDENCE PETROLEUM INDIA LIMITED**

Regd. Office: 701, Shivai Plaza Premises CHS Ltd, Plot No. 79,  
Marol Industrial Estate, Nr. Mahalaxmi Hotel, Andheri East, Mumbai-400059  
Tel: 0712-3250318 E-mail: [cs@confidencegroup.co](mailto:cs@confidencegroup.co)  
CIN No.: L40200MH1994PLC079766

**Folio No. / DP ID / Client ID** :

**Number of shares held** :

I certify that I am a member/ proxy for the member of the Company.

I hereby record my presence at the 25th Annual General Meeting of the Company to be held on Monday, 30 September, 2019 at 2.30 p.m. at "Dragonfly Hotel, New Chakala Link Road, Opposite Solitaire Corporate Park, Near JB Nagar Gurudwara, Andheri (East), Mumbai – 400093.

\_\_\_\_\_  
Name of the Member / Proxy  
(in BLOCK letters)

\_\_\_\_\_  
Signature of the Member / Proxy

**NOTE:**

1. Please complete the Folio/ DP ID-Client ID No. and name, sign the Attendance Slip and hand it over at the Attendance Verification counter at the entrance of the Meeting Hall.
2. Electronic copy of the Annual Report for the financial period ended on 31.03.2019 and Notice of the Annual General Meeting (AGM) along with Attendance Slip and Proxy Form is being sent to all the members whose e-mail address is registered with the Company/ Depository Participant unless any member has requested for a hard copy of the same. Members receiving electronic copy and attending the AGM can print copy of this Attendance Slip.
3. Physical copy of Annual Report for the financial period ended on 31.03.2019 and Notice of Annual General Meeting along with Attendance Slip and Proxy Form is sent in the permitted mode(s) to all members whose email is not registered or have requested for a hard copy.







**Confidence Petroleum India Limited**

CIN: L40200MH1994PLC079766

**Registered Office:**

701 Shivai Plaza Premises Chs. Limited, Plot No. 79  
Marol Industrial Estate, Near Mahalaxmi Hotel, Andheri East  
Maharashtra - 400059

**Corporate Office:**

404, Styam Apartment, Wardha Road  
Dhantilo Nagpur-12

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